



**HUGO DANIEL
OLIVEIRA RIOS**

**A ORIENTAÇÃO PARA O MERCADO DO SECTOR
CORTICEIRO PORTUGUÊS**



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Dissertação apresentada à Universidade de Aveiro para cumprimento dos requisitos necessários à obtenção do grau de Mestre em Gestão, realizada sob a orientação científica da Doutora Sandra Maria Correia Loureiro, Professora auxiliar do Departamento de Economia, Gestão e Engenharia Industrial da Universidade de Aveiro e co-orientada pelo Mestre Victor Manuel Ferreira Moutinho, Assistente do Departamento de Economia, Gestão e Engenharia Industrial da Universidade de Aveiro

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palavras-chave Orientação para o mercado; cultura organizacional, desempenho organizacional, posição competitiva, liderança, sector da cortiça

resumo

Com a globalização das economias, o elevado desenvolvimento da tecnologia, e o acelerar dos fluxos económicos dos últimos tempos obrigam a que as organizações pensem de forma mais exigente acerca da sua forma de estar e de agir.

Segundo Slater e Narver (1994:46), sendo a orientação para o mercado uma geração e disseminação da informação de mercado que é composta pela informação sobre as necessidades actuais e futuras dos clientes e os factores exógenos que influenciam essas mesmas necessidades, torna-se necessário que essa informação seja convenientemente partilhada pelas diferentes áreas da organização. Desta forma pode concluir-se que a orientação para o mercado facilita e promove o papel individual de quem colabora na organização mas também dos próprios grupos e departamentos, o que contribui para uma performance superior.

Na continuidade de estudos referenciados pela literatura de Marketing, que relacionaram o grau de influência de cada uma das dimensões de orientação para o mercado - geração de informação, disseminação de informação e resposta ao mercado –aplicamos este estudo direccionado à orientação ao mercado no sector da cortiça em Portugal na região de Aveiro, em que os resultados deste estudo vieram demonstrar que as três dimensões da orientação para o mercado estão positivamente associadas à performance. E mais ainda se acrescenta, que a terceira dimensão da orientação para o mercado, designada por resposta ao mercado, é a que mais influência exerce sobre a performance empresarial no sector estudado.

A análise multivariada permitiu identificar as variáveis mais determinantes da variação na variável dependente orientação para o mercado e a sua implicação na performance o primeiro dado relevante aponta para a debilidade das práticas de Orientação para o Mercado destas empresas o que, em princípio, deverá também coincidir com alguma insipiência das suas práticas de marketing. Dedicou-se uma atenção especial nesta dissertação produtividade empresarial e à Aprendizagem Organizacional como motores da Orientação de Mercado. Seu impacto sobre o desempenho foi confirmado, mas parece ser muito fraco, talvez porque as práticas de Orientação para o Mercado também são embrionárias. A predisposição empresarial e aprendizagem organizacional parece ser decisiva em ambas as práticas de orientação para o mercado e para o desempenho.

Neste estudo, foi dado um lugar especial à predisposição empreendedora e à aprendizagem organizacional como motores de orientação para o mercado. Seu impacto sobre o desempenho foi confirmado, mas parece ser muito fraco, talvez porque as práticas de Orientação para o Mercado ainda são embrionárias. A predisposição empresarial e aprendizagem organizacional parece ser decisiva em ambas, práticas de orientação para mercado e o desempenho.

keywords

Market orientation, organizational culture, organizational performance, leadership, cork sector, competitive positioning.

abstract

With the economies globalization, high technology development and accelerated economic flows in recent times require organizations to think more demandingly about their way of being and acting.

According to Slater and Narver (1994:46), being the market orientation a generation and dissemination of market information that is made by information about current and future needs of customers and exogenous factors that influence those needs, it becomes necessary that such information is properly shared between different areas of the organization. Thus it can be concluded that market orientation facilitates and promotes the role of each person who participates in the organization but also of their own groups and departments, which contributes to superior performance.

In the continuation of the referenced studies in the Marketing literature, who related the degree of influence of each dimension of market orientation - information generation, information dissemination and response to market – we applied this study guided to the market orientation in the Cork in Portugal in the region of Aveiro, municipality of Santa Maria da Feira, where the results of this study have shown that the three dimensions of market orientation are positively associated with performance. And more is added, the third dimension of market orientation, called the response to the market, is the most influence over the business performance in the studied sector.

Multivariate analysis identified the most determinants variables of variation in the dependent variable market orientation and its implication in the performance, the first relevant data points to the weakness in the practice of market orientation of these companies which, in principle, should also match some foolishness of their marketing practices. In this study a special place as been given to entrepreneurial proclivity and to organizational learning as market orientation drivers. Its impact on performance has been confirmed but seems to be very weak perhaps because Market Orientation practices are also embryonic. Entrepreneurial proclivity and organizational learning seem to be decisive on both market orientation practices and performance.

I N D E X

INTRODUCTION	1
CHAPTER I – CORK’S INDUSTRIAL SECTOR	
1.1 HISTORY BACKGROUND	3
1.1.1 Portuguese Cork Industry Story	4
1.2 SECTOR’S CHARACTERIZATION	7
1.2.1 Subericole Production – In the World and in Portugal	8
i) Cork oak fields and cork in the World	8
ii) Cork oak fields and cork in Portugal	9
1.3 PORTUGAL IN INTERNATIONAL TRADE	12
1.3.1. Exportations	12
1.3.2 Importations	14
CHAPTER 2 – LITERATURE ANALISIS	
2.1. MARKET ORIENTATION	17
CHAPTER 3 – CONCEPTUAL MODEL	
3.1. MARKET ORIENTATION ANTECEDENTS	37
3.1.1 Leadership	37
3.1.2 Adaptive strategies	38
3.1.3 Organizational culture	39
3.1.4 Environment evaluation	40
3.2. CONSEQUENCES OF MARKET ORIENTATION	41
3.2.1 Competitive Positioning	41
3.2.2 Performance	42

CHAPTER 4 – INVESTIGATION METHODOLOGY

4.1 MAIN GOAL	43
4.2 INVESTIGATION METHOD: CASE STUDY	43
4.3 METHOD OF BUILDING THE QUESTIONNAIRE	43
4.4 IDENTIFICATION OF THE SAMPLE AND CRITERIA SELECTION	44
4.5 THE QUESTIONNAIRE	44

CHAPTER 5 – EMPIRICAL FINDINGS

5.1 ANÁLISE DESCRITIVA DAS EMPRESAS DA AMOSTRA	47
5.1.1 Company's Profile	47
5.1.2 Leadership Profile	49
5.2 DESCRIPTIVE ANALYSIS AND SCALES RELIABILITY ANALYSIS	50
5.2.1 Reliability Analysis of the scales (coefficient alpha)	50
5.3 CONSISTENCY AND VALIDITY OF THE MEASURING MODEL	57
5.3.1 Exploratory Factor Analysis	57
5.3.2 Analysis of the Factors Reliability	59

CHAPTER 6 – REGRESSIONS

6.1. INTRODUCTION	75
6.2. CORRELATIONAL ANALYSIS	75
6.3. HYPOTHESES TEST	80
A) Market Orientation Antecedents	81
B) The Influence of Market Orientation on the Competitive Advantage through Positioning in the Production and Cost	85
C) The Influence of Market Orientation on the Competitive Positioning through Competitive Aggressiveness	87
D) The Influence of Market Orientation on Organizational Performance through the Relational and Financial Performance	88
E) The Influence of Market Orientation on Organizational Performance through the Performance Activity	89

6.4. RESULTS DISCUSSION	89
6.4.1 Explaining factors of the determinants of Market Orientation levels	89
6.4.2 Impact of Market Orientation on Competitive Positioning.	93
6.4.3 Impact of Market Orientation on Organizational Performance	95

CHAPTER 7 - CONCLUSIONS, LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

7.1. INTRODUCTION	101
7.2. FINAL CONCLUSIONS	101
7.3. MAJOR CONTRIBUTIONS	104
7.4. RESEARCH LIMITATIONS AND SUGGESTIONS FOR FUTURE STUDIES	104

REFERENCES	107
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ANEXES	113
A.1 - SPSS REGRESSION'S OUTPUTS FOR DETERMINANTS	113
A.2 - SPSS REGRESSION'S OUTPUTS FOR CONSEQUENTS	116
A.3 - P VALUES FOR THE PEARSON CORRELATIONS	120

FIGURES & TABLES INDEX

FIGURES

Figure 1 – Cork oak distribution on the Mediterranean coastal line Map	8
Figure 2 – Cork oak fields' evolution in Portugal (in ha) (1902-2001)	9
Figure 3 – Cork oak field's distribution in Portugal (ha) Cork Production	9
Figure 4 – Cork world production, by countries (thousand tons)	10
Figure 5 – Portuguese cork Production (1990-1998), in thousand tons	11
Figure 6 – Distribution of Portuguese cork production	11
Figure 7 – Evolution of Portuguese cork exportations (1987-2002)	12
Figure 8 – Portuguese cork exportations for countries (EUR million)	13
Figure 9 – Portuguese exportations by cork products in 2002 (tons and EUR million)	13
Figure 10 – Portuguese cork importation (tons e EUR million)	14
Figure 11 – Portuguese cork Importations by main countries (EUR million)	14
Figure 12 – Portuguese importations by cork product in 2002 (tons and EUR million)	15
Figure 13 – Narver and Slater Conceptualization of Market Orientation	19
Figure 14 – Market Orientation proposed model	37
Figure 15 – Companies distributed by Share Capital	48
Figure 16 – Companies distributed by volume of Exportations (in EUR)	48
Figure 17 – Companies distributed by number of workers	49
Figure 18 and Figure 19 – Leadership profile	49

TABLES

Table 1 – Geographic distribution of facilities in Cork Sector and workers' number	6
Table 2 – Number of factories for sector	7
Table 3 – Company's dimension criteria	47

Table 4 – Evaluation of Cronbach's alpha coefficient	50
Table 5 – Statistics for Leadership	51
Table 6 – Statistics for Strategy	52
Table 7 – Statistics for Organizational Culture	53
Table 8 – Statistics for Environment evaluation	54
Table 9 – Statistics for Competitive position	55
Table 10 – Statistics for Market Orientation	56
Table 11 – Statistics for Performance	57
Table 12 – KMO test evaluation to the identified variable groups	58
Table 13 – Analysis of the Internal Reliability: Cronbach's Alpha (a)	60
Table 14 – Results of factor analysis for Leadership	61
Table 15 – Results of factor analysis for Marketing Strategy	63
Table 16 – Results of factor analysis for Organizational Culture	65
Table 17 – Results of factor analysis for External Environment Evaluation	67
Table 18 – Results of factor analysis for Competitive Positioning	68
Table 19 – Results of factor analysis for Organizational Performance	70
Table 20 – Results of factor analysis for Market Orientation	72
Table 21 – Pearson Correlation	78
Table 22 – Explanatory Factors of Market Orientation at the Generation and Dissemination of Information and Response to Market	80
Table 23 – Explanatory Factors of Market Orientation-level Interpretation of the Organizational Market Information	82
Table 24 – Explanatory Factors of Market Orientation at the level of Internal capacity of Information Management	83
Table 25 – The Influence of Market Orientation on the Competitive Advantage through Posicioning in the Production and Cost	85
Table 26 – The Influence of Market Orientation on Posicioning through on the Competitive Competitive Aggressiveness	86
Table 27 – The Influence of Market Orientation on the performance through the Organizational Relational and Financial Performance	87
Table 28 – The Influence of Market Orientation on Organizational Performance through the Performance Activity	88

INTRODUCTION

Portugal is the biggest cork's producer, transformer and exporter. There are, however, some nonsense inherent to the sector. Being cork a extremely polyvalent raw material, the industrial sector is highly dependent of corks segment – without it the sector could break down. Another example is the coexistence of the cork transformation sector (with a very handcrafted labor work) and a moderns segment, technologically developed, with sophisticated quality control means, well managed and commercially aggressive. In spite the cork sector doesn't belong to the referred "new economy", it is an activity which stands and "speaks" in Portuguese.

Cork industry is an integrated part of the cork "ecosystem" where coexist many important economic and professional specificities:

- a) the Suberic production (related to *Quercus suber* – cork oak tree), basically consisting in farming and rationalization of the cork oak tree fields and cork bark extraction.
- b) the Cork Industry, built with the Preparing, Transforming, Graining and Agglomerating sub-sectors; and,
- c) Marketing/Sales, which deals with the final products transaction.

The main purpose of this study is to build a model that relate some antecedents and consequents of market orientation and apply the model to the context of the Cork Industry in Portugal. In this way, the first part of this dissertation focuses on the characterization of the Cork Industry in Portugal. Then we present the literature review of the main constructs in analysis. The third part shows the conceptual model, as well as, the theoretical justification of the model. The methodology of the empirical research, the questionnaire, the sampling and data treatment comes next. Finally, the conclusions and the limitations of the study are presented.

CHAPTER I – CORK’S INDUSTRIAL SECTOR

1.1 HISTORY BACKGROUND

Cork has been used since 3,000 BC in Asia as floating device in fishing, in Egypt on sarcophagus, in Pompeii in amphora as sealing and in the ancient Greece as stoppers in wine and olive oil recipients. There were found signs of the good preservation of best wines with cork stoppers on the Mediterranean area. Latter, it was used on shoes and house insulation (as the Convento dos Capuchos, in Sintra, Portugal) (Gil, 2003).

The first reference of the using of cork stoppers is due to D. Perignon, monk of the Hautvillers’ Abbey, keeper of its vineyard and wine, and creator of the Champagne which used cork stoppers for the wine (coming from Catalonia, Spain), instead of wood stopper. Is not known if it was an individual initiative or a different application of the knife was cut cork stoppers used by Spaniard pilgrims on their gourds.

The cork stoppers development is very close with bottle development. The first bottles were used by pharmaceuticals and alchemists. On the kingdom of Louis XIV, they were used for wine only between the gap barrel-table. Bottles were made by blowing, resulting in irregular tops. So, the conic cork stoppers would fit almost all the bottles. To improve stopping, the cork stopper was involved in tissue with olive oil (Mendes, 2002).

The utilizations of cork stoppers will be regular in the beginning of the XVIII century, with the developing of glass production which brought stronger bottles and with a regular top caliber, allowing the utilization of cylindrical cork stoppers. At time, corks were handcrafted with a knife, which leads to variations on size and shape, according each worker (a good one could make 2,000 corks/day), jeopardizing the bottle stopping.

With time, the utilization of bottle becomes regular and its shape has becoming uniform with the ones used today. Commonly, the bottle top and the stopper have developed, too. However, the cork stopper developing wasn’t technically advanced as glass developing. Until 1950’s, many conic cork stoppers

were used in current wines and only with machinated bottling the cylindrical corks were forced to be calibrated.

Cork stoppers industry has begun around 1750 in Angullane, Catalonia, Spain. Some years later, the industry developed in Portugal with Santiago do Escoural (Montemor-o-Novo) as start point. However, Portugal only become the main cork stopper producer since 1930's due to the Spanish Civil War (António, 2001; ref. in Valkork, 2001).

Recently, the corks industry development is due to the demand of better wines all around the world and the quality demanded by consumers. Then, the evolution of the wine industry implied an evolution in the cork industry in a way to become the best wine stopper.

Cork stopper industry is the noble product of cork which allows scale economies.

1.1.1 Portuguese Cork Industry Story

Since 1955, the national industry has inverted the role of supplier of raw material to producer of all kind of cork products.

At start, cork industry was centered in some industrialized countries, like USA (in the 1950's USA transformed almost 50% of the world cork produced – Sampaio, 1985). The development of those countries, the raising salaries and transport costs leaded to transpose the cork transformation industry to countries which produced cork (especially Portugal), around 1960.

In the end of 1960's and beginning of 1970's, many foreign factories planted in Portugal, main improvers, leaders and researchers (on I&D) of the cork sector, were beginning to abandon the country. Nowadays, foreign investment is at its lowest level (OE, 1992).

In the mid 1970's there was a deep crisis with a nearly stop of traditional markets. Without marketing strategies, stocks were registered at their highest score (IAPMEI, 1975, referred in IQF, 2005). Political context, intense competition from other cork producer countries, and a completely lack of innovation and technological

applications were pointed as causes of that crisis. Exportations were released only in the usual markets, according importers' specifications.

At 1980's beginning the conflict between the national cork industry needs of raw material and the exportation levels maintenance was increasing. The increasing of the final cork product cost shouldn't be fast because importers could stop buying and change to other material. In other way, there was a strategy in accessing to undeveloped countries to create the cork need and also to allow some cork transformation there.

It was also known the increasing valorization of handcrafted cork (non-transformed cork and other Portuguese cork products). The industrialization was commanded by the transformer industry (whose main product is the cork stopper), with positive implication on the fooling sub-sectors.

At this time, according to Santos (1983), Portugal kept the monopoly of cork production. The cork sector was characterized for the high competition level between the hundreds factories (leading to a price and quality decreasing). This situation made that international cork trade were merely the delivery, leading the value transfer to economic foreign agents which deal in final customer markets. Decision and profit centers were outside on importer companies and industrial users.

On the other way, synthetic products competition was rapidly increasing, with as high level of cost and technical characteristics, especially to industrial application products (common wines and thermal isolation).

In the mid 1980's (Sampaio, 1985), industrialized countries bought the biggest part of manufactured products, meanwhile raw-material was guided to producer countries (like Portugal and other who industrialized some cork).

According Sampaio (1987), at time several facts were conditioning the cork industry:

- High number of shot factories, many of them badly equipped, with low financial capacity and technical support, which develop according the circumstances, incapable to plan their activity and with many difficulties in accessing external markets. Low levels of innovation, low quality standards and without technicians with a college degree.
- On the other hand, in a very short number, enterprises with some considered

investments, mainly in equipment and produce techniques and, some cases, in their facilities or final product diversification (integration).

- The economic and financial vulnerability conducted to a direct negotiation with foreign importer's agents, with an internal competition recession.
- In the external trading, the better products are the most required. Portugal has a dominant position in almost markets, leading to a global expansion of demand. However, it was noticed a great and savage competition (at quality, prices and payment schedules) and the presence of substitutes in the market. These ones begin to be seen as a necessary weakness as a way to fulfill the market gaps on emerging wine segments that cork cannot reach.

At time, actions to a vertical integration were not important, in spite of a increasing tendency to constitute groups. However, the economic and financial situation to factories devoted exclusively to natural cork stoppers was worrying. Since 1987 many companies had difficulties due to the increasing price of raw material (cork bark). Trade structures were not improve and the growing of trade agents did not help in the improvement of the final product. There was a reduced tax of new products with high added value. Investment was low comparing to needs, with the sector having some parts with incipient development.

In a poll of 1880 (Corkacção, 2004), there were in Aveiro district only 4 cork transformation factories in Santa Maria da Feira county, with a total of 7 labor workers. At same year, according the same source, Silves, in Faro district, was the county with workers (1004), distributed in 6 major factories and 4 smaller.

Through years, this distribution was changing and the factories on Aveiro district were increasing, namely in Santa Maria da Feira county. Next board shows that evolution.

Table 1 – Geographic distribution of facilities in Cork Sector and workers' number

Year	1969		1979		1989		1999	
District	Fact.	Workers	Fact.	Workers	Fact.	Workers	Fact.	Workers
Aveiro	172	6.133	348	-	453	8.879	895	11.000
Évora	38	477	27	-	23	272	20	275
Faro	104	1.531	38	-	27	723	15	546
Setúbal	246	7.042	147	-	103	3.022	150	2.722
Others	59	1.794	35	-	27	657	20	457
TOTAL	619	16.977	595	0	633	13.553	1.100	15.000

Source: Adapted Corkacção, (2004).

Preparatory only companies are diminishing, because many transformer enterprises are integrating that sector. The same fact happens with granulator only factories that are integrated in Agglomeration and producer enterprises.

In last years the Transformation companies increased and with some adaptations and investments they also have agglomeration production, as sticks to produce technic corks and champagne corks.

Table 2 – Number of factories for sector

	1969	1979	1989	1999
Preparatory	169	98	85	50
Transformers and Mixts	428	463	520	1.020
Granulators	7	9	28	30
Agglomeration	18	35		
TOTAL	622	605	633	1.100

Source: Adaptaded Corkacção, (2004).

There are some key-agents on the sector as associations, technological center and learning center, and on the other hand, some cork private enterprises have I & D centers directed to the industry which have already done some strategic action in cork industry. Some strategic studies and campaigns sponsored by some agents above mentioned are Corchiça (2005), Corkacção (2004) and CIC – Cork Institutional Campaign (2005).

1.2 SECTOR'S CHARACTERIZATION

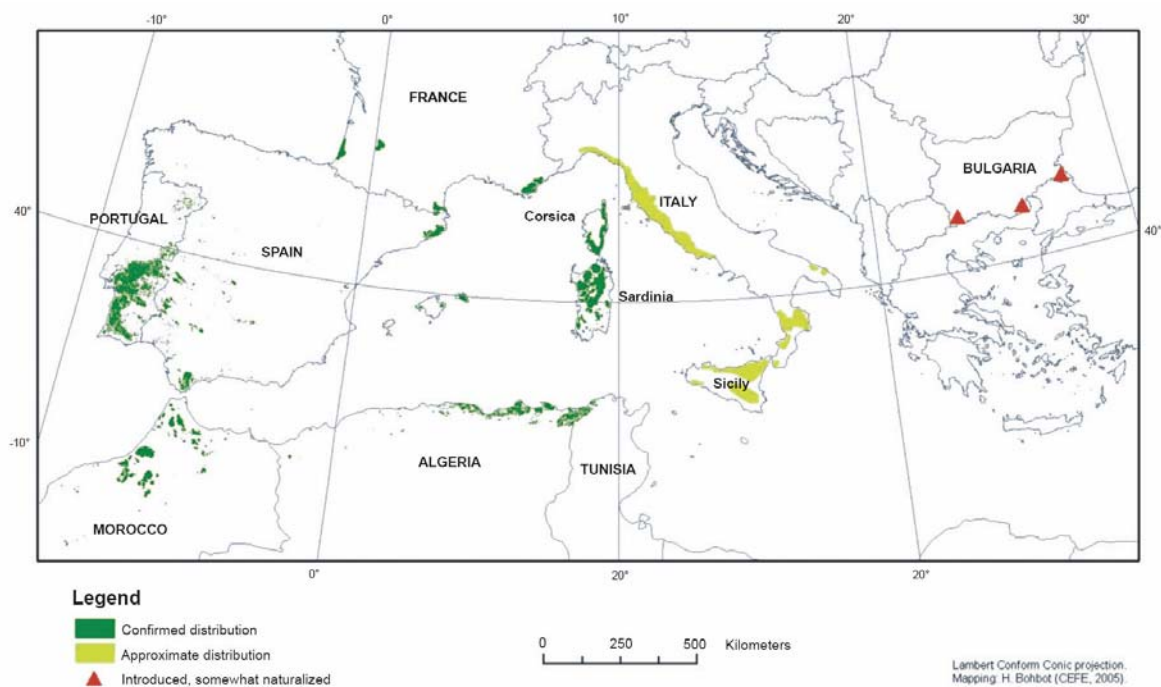
To a better understanding of cork sector, this subchapter will show and macro and micro economic analysis of the cork sector. It will be shown its importance, world distribution, its different sub-sectors' weight and its regional concentration, all in a summarized sector's characterization.

1.2.1 Subericole Production – In the World and in Portugal

i) Cork oak fields and cork in the World

The geographic area of cork oak distribution (see figure 1), shows its preference for Atlantic influence fields, and for some occidental and Mediterranean coastal line, where the Mediterranean influence reaches.

Figure 1 – Cork oak distribution on the Mediterranean coastal line Map



Source: CEFE, (2008).

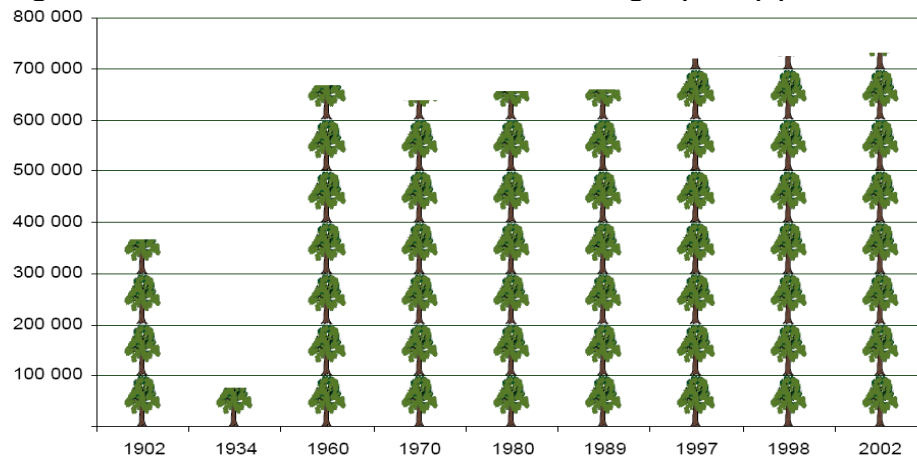
The supply volume and qualitative composition of cork are very rigid variables, because the appropriate cork soil limitations, the limited density of trees/field area and its slow growing. Adding these three factors, it is estimated that the average annual growth will be 0,5% in the next century (Corticeira Amorim, 1983).

Cork oak tree is a typical Mediterranean tree; all the attempts to spread the tree around the world had failed (USA, Latin America, Russia, China and South Africa): the tree grows, but does not produce cork good enough for industry purposes (Corticeira Amorim, 1983).

ii) Cork oak fields and cork in Portugal

The area of cork oak fields in Portugal has ascending through all the XX century, except in the 1930's decade. It has passed from 360,000ha in 1902 to 750,000ha in 1999. Nowadays, Portugal has almost 1/3 of the world cork oak fields (APCOR, 2003).

Figure 2 – Cork oak fields' evolution in Portugal (in ha) (1902-2001)

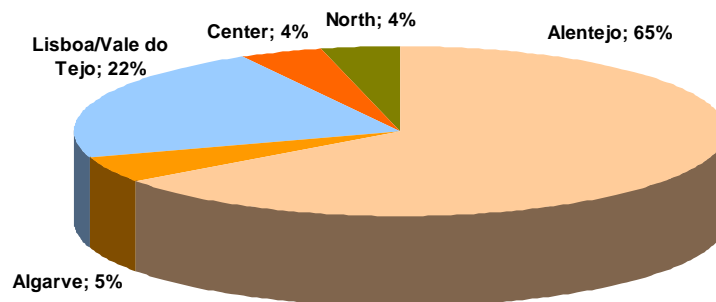


Source: Adapted from Valcork, (2001).

Cork oak tree is the second forest specie in Portugal, next to pine tree. The biggest cork oak field is in Alentejo and in Setúbal peninsula, mostly own by particulars, usually connected to cork industry.

Attending to its economical importance, efforts have being conducted to preserve and increase the cork oak fields, supervised by the Agricultural Ministry with legal protection, and also supported with EU funds which allows to maintain the forest and support its growth.

Figure 3 – Cork oak field's distribution in Portugal (ha)



Source: Adapted from APCOR, (2003), provisional data.

Portugal has proceeding to great reforestation (between 1993 and 1997 has being planted more than 100,000ha, in a rate increasing of 16%) and future is promising because the average cork oak fields plantation rate is about 10,000ha/year.

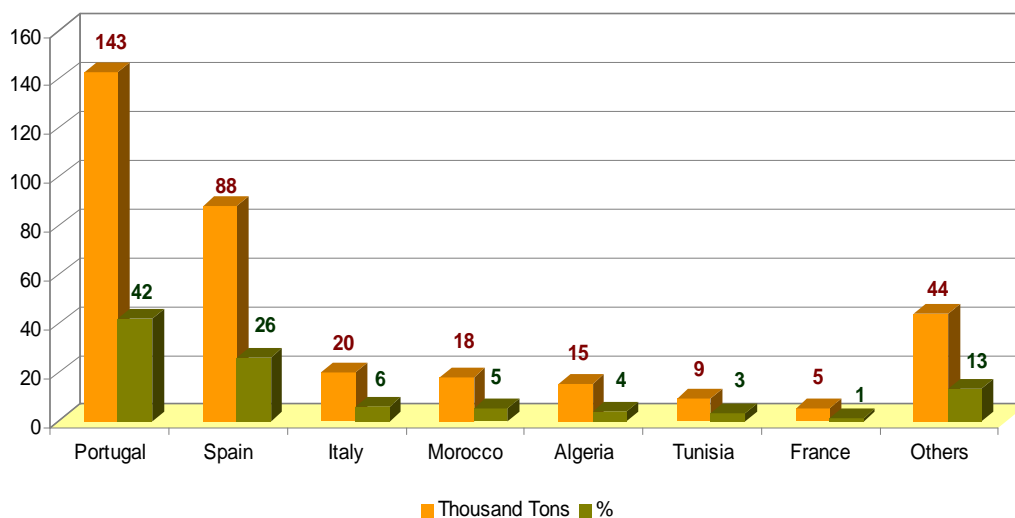
• Cork Production

The annual production irregularity jeopardizes the whole cork economy because of the inherent difficulty in stocking it, financial problems and international up and down demand.

One of the mean commercial aims is to standard the cork extraction volume and assures the quality of “amadía” cork (the cork extracted after the first harvest).

Cork production is limited to countries mentioned above, which posses cork oak fields. World production has record a high variability as shown in the next figure.

Figure 4 – Cork world production, by countries (thousand tons)

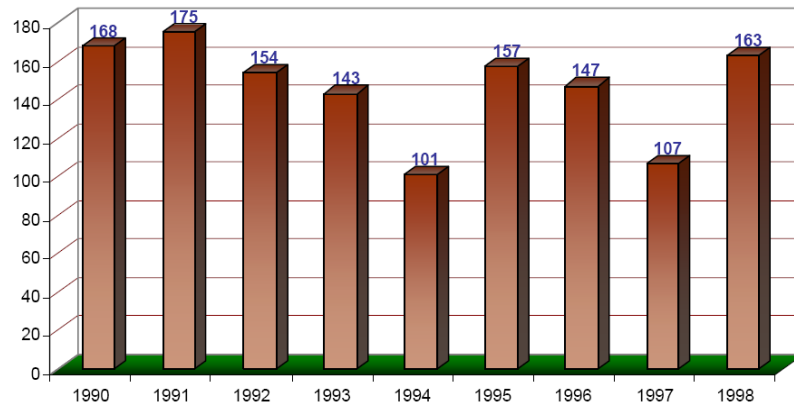


Source: Adapted from APCOR, (2003).

In the 1990's, Portugal was responsible for almost 42% of world cork production, with an average of 143 thousand tons, with Spain next with a 26% quota as shown in the figure above.

Next figure shows the Portuguese cork production in the last decade.

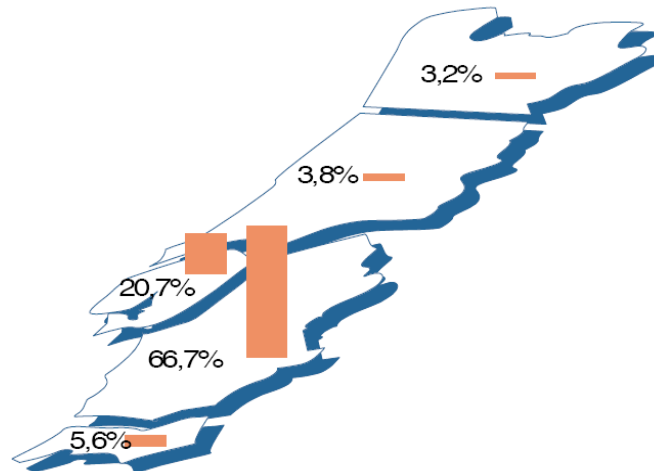
Figure 5 – Portuguese cork Production (1990-1998), in thousand tons



Source: data from INE - the Portuguese Statistics Institute, (2002).

As we can see in the next figure, the south Portugal means almost 93% of the Portuguese cork production.

Figure 6 – Distribution of Portuguese cork production



Source: adapted from Valcork, (2001).

Nowadays, the most cork comes from south Portugal, Spain, and some from Corsica and Sardinia because a cork oak field does not produce high incomes. Then, the low profit and the lack of labor work had contributed to finish with many cork oak fields.

The total amount of raw material transformed around the world is about 340.000 tons. Of this amount, Portugal transforms about 37%, being the first world cork transformer.

1.3 PORTUGAL IN INTERNATIONAL TRADE

Cork sector has an important place in Portuguese economy because Portugal is world leader in cork production, industrial production and exportations.

Concerning raw cork production, the leadership of Portugal was a fact in late XIX century, increasing until reach 50% in the beginning of XX century. On industrial production and exportation, the Portuguese leadership is due to the Spanish Civil War which had compromised the Catalanian cork industry, the predominant one at time.

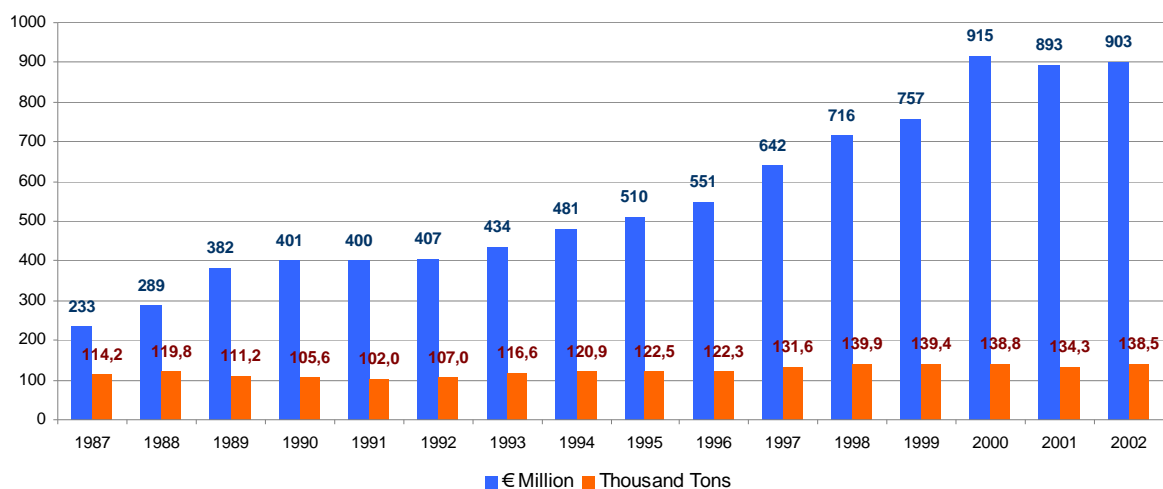
1.3.1. Exportations

Cork exportation represents about 3% of the Portuguese total amount and, in 2001 they represented 36% in the forest products exportations.

The final data from INE (the Portuguese Statistics Institute) points to EUR 903.2 million to cork exportations to 2002, with an increase about 10 million to 2001, as shown in the next figure.

However, the increasing recorded since 1997 does not represent an increase in the subericole production, but in importation of cork raw-material to be transformed in Portugal.

Figure 7 – Evolution of Portuguese cork exportations (1987-2002)

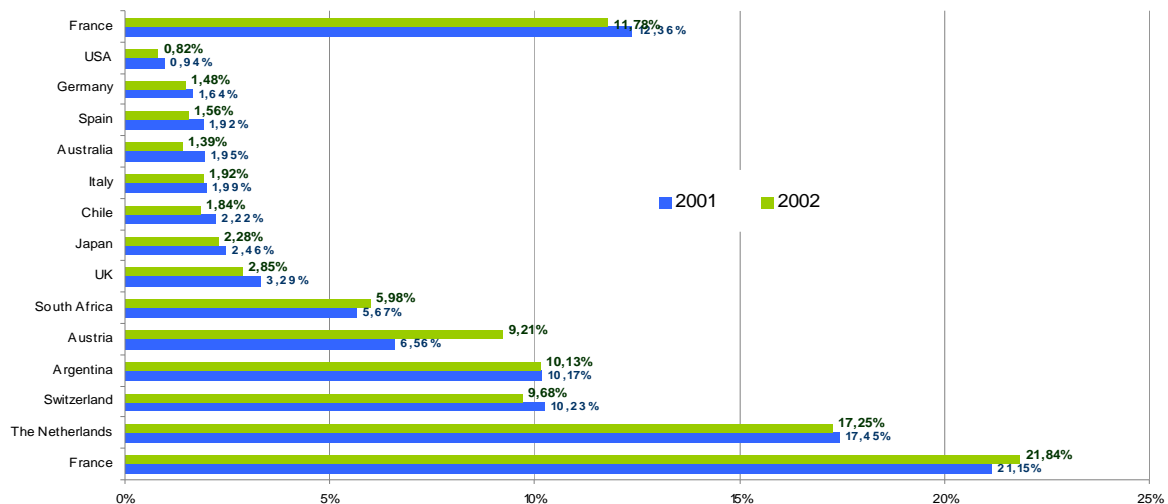


Source: Adapted from INE - the Portuguese Statistics Institute, (2002).

Concerning cork products importation, France comes as first with 21.84% (EUR 197.2 million), next with USA with 17.25% (EUR 155.8 million).

It is important to see the data about Australia (see figure below): the country is in 5th place but with an high growing rate, having consumed 9.21% of Portuguese cork exportations in 2002, in a total amount of EUR 83 million.

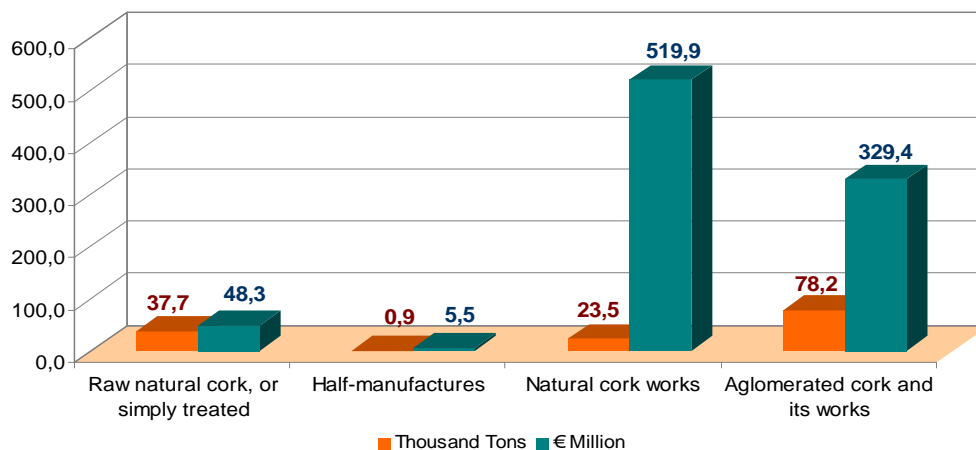
Figure 8 – Portuguese cork exportations for countries (EUR million)



Source: Adapted from INE - the Portuguese Statistics Institute, (2002).

According INE (the Portuguese Statistics Institute), the first exported products in 2002 by cork sector were natural cork works (where are included technical cork stoppers) and agglomerated cork products, in a total of EUR 329.4 million.

Figure 9 – Portuguese exportations by cork products in 2002 (tons and EUR million)

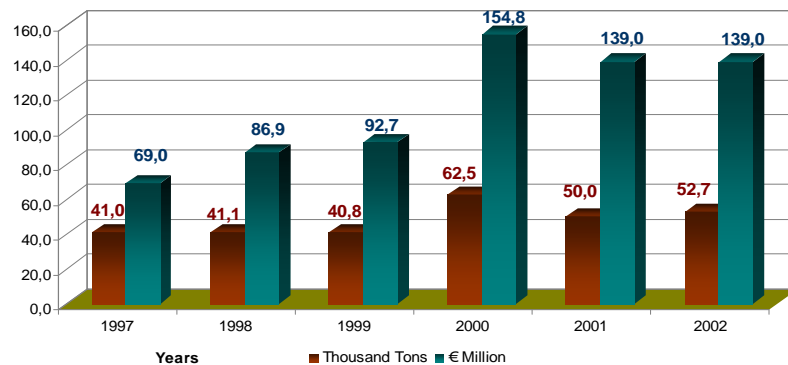


Source: Adapted from INE - the Portuguese Statistics Institute, (2002).

1.3.2 Importations

Cork importation products, mainly manufactured production, come from Europe, namely Spain. But it was recorded, since 1990, a small importation rate of manufactures products from North Africa, as a result of Portuguese investment there.

Figure 10 – Portuguese cork importation (Thousand tons and EUR million)

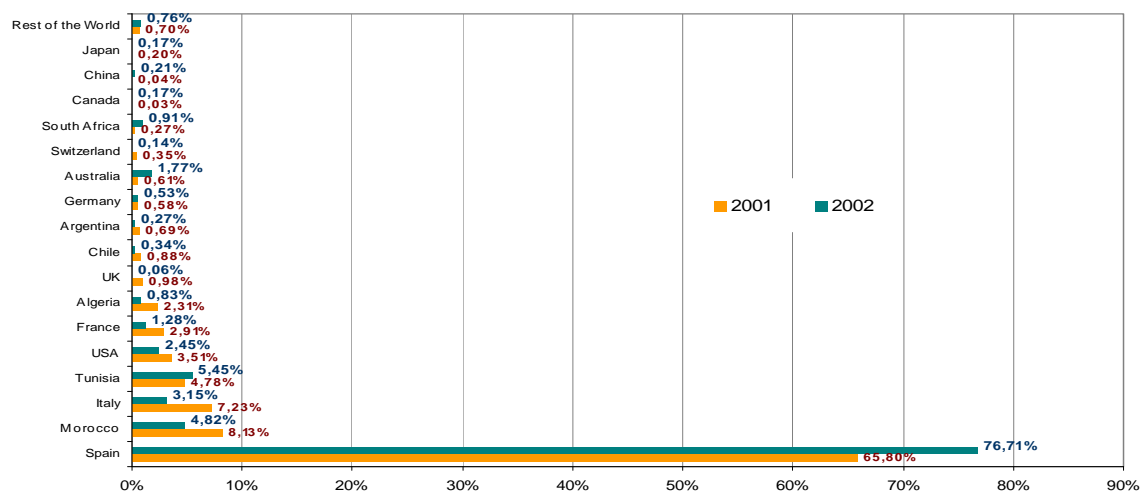


Source: Adapted from INE - the Portuguese Statistics Institute, (2002).

In 2001, importations were about EUR 140 million, where the main suppliers were Spain and Italy. Imported cork is transformed in Portugal making the final product more valuable. The evolution of importation in the last years is shown in next figure.

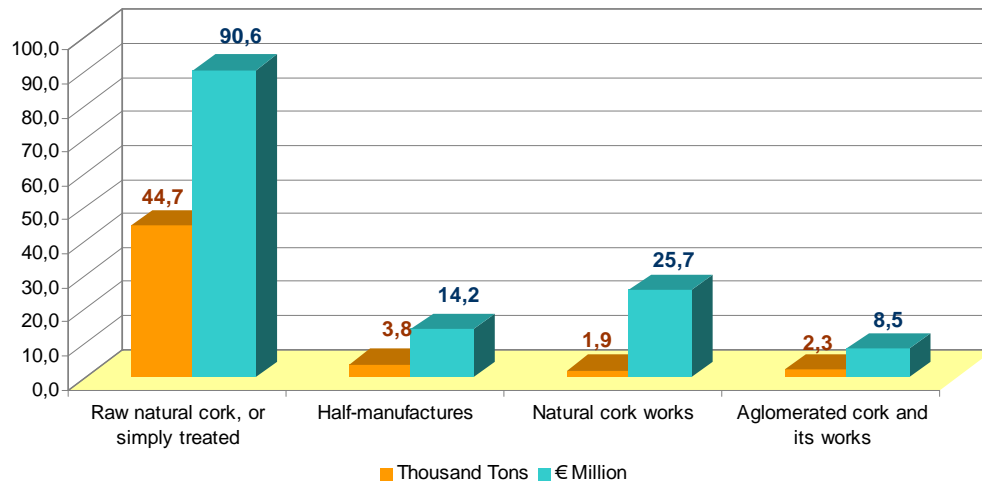
Concerning the main suppliers, there is a slight change in 2002: while Spain remains in the first place, Tunisia raises from 4th (in 2001) to 2nd in 2002, followed next by Morocco and Italy.

Figure 11 – Portuguese Cork Importations by main countries (EUR million)



Source: INE - the Portuguese Statistics Institute, (2002).

Figure 12 – Portuguese importations by cork product in 2002 (tons and EUR million)



Source: INE - the Portuguese Statistics Institute, (2002), provisional data.

The results of cork trade is essential to the whole forest products because its cover rate (the relation between exported value and imported value, in percentage) is about 638%, in 2001.

Portugal is the start point of almost 60% of world cork trade and the biggest raw cork importer. Its share in world trade rises to 80% when considered transformed cork products.

The average year quantities involved in world external trade are about 220 thousand tons, where 58% are from Portugal. As importer, Portugal has a rate of 21% of the traded quantity.

CHAPTER 2 – LITERATURE ANALISIS

2.1. MARKET ORIENTATION

The philosophical foundation of market orientation arose with the introduction of Marketing's concept, but only in the late '80s and early '90s, with the return of focus on the consumer, the growing importance attached to the subject generated the development of concepts and measurement forms of the market orientation.

In literature it can be identified basically two streams of market orientation (Homburg and Pflesser, 2000): a behavioral and a cultural one. The behavioral perspective focuses on market orientation in specific aspects of organizational behavior, for example, the generation, dissemination and use of market intelligence, touted by Kohli and Jaworski (1990). Thus, market orientation can be defined as a set of processes and inter-functional activities aimed to create and satisfy customers through continuous assessment of their needs (Deshpande and Farley, 1998). The cultural perspective refers to the fundamental and philosophical aspects of the organization, which will serve as guidelines for establishment of the necessary behaviors to provide superior value to customers.

According to Kohli and Jaworski (1990), the term market orientation is used to define the implementation of the marketing concept. The marketing concept can be understood as a business philosophy, based on acceptance of all the company's need to be customer-oriented, profit-oriented and recognize the important role of marketing in communicating the market needs for all company departments. For Kohli and Jaworski (1990, p.1), "The marketing concept is essentially a business philosophy, an ideal or a policy" that can be implemented through a set of activities that these authors suggest. From this study, Kohli and Jaworsli (1990, p.6) defined market orientation as "The generation of market intelligence regarding current and future needs of customers, intelligence dissemination across departments and organization-wide response to this intelligence".

Market orientation is then defined in three components:

(1) Market intelligence generation;

- (2) Intelligence dissemination across departments; and,
- (3) Organization's response to this intelligence.

The customer orientation is the central element of market orientation. To be customer-oriented, it must be based on market intelligence, which encompasses factors related to the market and current and future customers needs. The study also identified that it is critical that various departments are aware of the market needs (i.e., aware of market intelligence). The reaction or response to intelligence is the ability that the company had in order to act based on the generated knowledge.

Profitability is not included in the definition because it is a consequence of market orientation, and not as part of it. Therefore, market orientation includes all activities involved in acquiring information about consumers and competitors of the target market and using it widely in order to have profit in the long term.

In 1993, Kohli, Jaworski and Kumar developed a scale to measure market orientation. The scale has 32 items and was extensively used in studies thereafter.

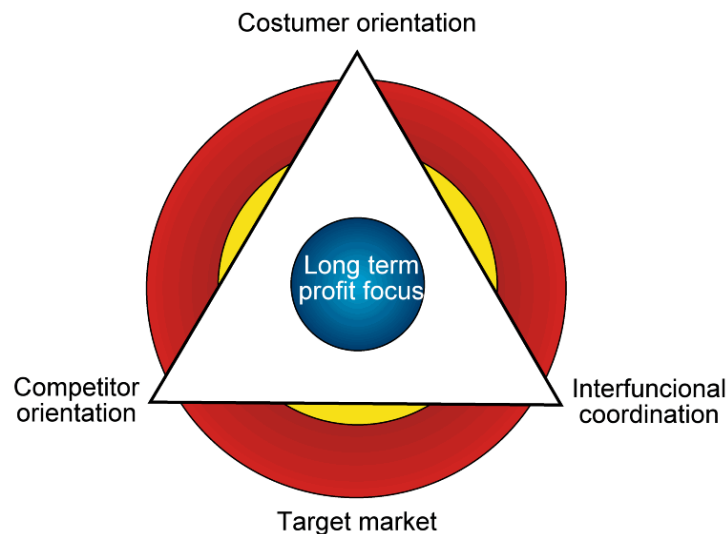
Narver and Slater (1990) define market orientation as an one-dimensional construct that consists of three behavioral components: (1) customer orientation (understanding the market), (2) the competitor orientation (understanding the strengths, weaknesses, skills and strategies of major competitors) and (3) interfunctional coordination (use of resources from all departments to provide customer value). Furthermore, the concept includes two decision criteria: focus on long-term and profit objective.

Customer orientation and competitor orientation represent, respectively, the relative emphasis on collecting and processing information relating to the client or the competitors capabilities.

The inter-functional coordination refers to the application of resources by the organization to synthesize and disseminate intelligence market (Narver and Slater 1990, Slater and Narver 1994). In this definition, the focus is primarily on consumer advice, since the understanding of target consumers is sufficient to create a higher value. According to the authors, the desire to provide superior value to customers takes the company to develop and maintain the culture that produce the behaviors necessary to achieve this goal.

The research of Narver and Slater (1990) presented the development of a range of market orientation and found that its magnitude was related to business performance. In 1994, Slater and Narver examined the moderating role of environment in association with an increased customer orientation and competitor or the performance.

Figure 13 – Narver and Slater Conceptualization of Market Orientation



Source: Adapted from Narver and Slater, (1990).

For Deshpandé et al. (1993, p.27), market orientation is "a set of beliefs that puts the client's interest first." It is the central element of the management philosophy based on the concept of marketing. Day (1994) defines market orientation as the superior ability to understand and satisfy customers. These definitions fail to address the market orientation only as a process and include cultural components. In this same vein, Slater and Narver (1995) suggest that market orientation is an aspect of organizational culture while it is inherently a learning orientation.

Although the character's cultural market orientation is recognized, the approach adopted in this work is establishing a set of processes that leads the company to be market oriented (eg Kohli and Jaworsli, 1990), since the objective is to suggest a relationship with the cultural aspect of organizational learning. Below is

the theoretical basis which leads to the hypothesis that composes the conceptual model previously suggested.

Major changes, environmental uncertainties, complexity and competitive intensity have led companies to an assessment of business practices. In this sense, their success depends on its competitive advantage. Such an advantage is to reconcile a vision endogenous with exogenous vision in order to respond more quickly and effectively to environmental constraints and opportunities (Deshpande, 1999). This is the sign of a market oriented company, which is putting into practice the concept of marketing.

Next pages present the overview of the several most interesting articles on marketing orientation published in recent years.

AUTHORS, YEAR AND PAPER TITLE	INVESTIGATION PURPOSES	MODEL & METHODOLOGY	MAIN CONCLUSIONS
CHRISTIAN HOMBURG & CHRISTIAN PFLESSER (2000) A Multiple-Layer Model of Market-Oriented Organizational Culture: Measurement Issues and Performance Outcomes GARY F. GEBHARDT, GREGORY S. CARPENTER, & JOHN F. SHERRY JR. (2006)	To draw an explicit distinction among values that support market orientation, norms for market orientation, artifacts indicating high and low market orientation, and market-oriented behaviors	Qualitative research and a subsequent survey	Findings indicate that artifacts play a crucial role in determining behavior within organizations. Results also indicate that a market-oriented culture influences financial performance indirectly through market performance and that this relationship is stronger in highly dynamic market.
Creating a Market Orientation: A Longitudinal, Multifirm, Grounded Analysis of Cultural Transformation MARIA LETICIA SANTOS VIJANDE, MARIA JOSE SANZO PEREZ, LUIS I. ALVAREZ GONZALEZ & RODOLFO VAZQUEZ VASIELLES (2005)	Find how organizations change to become more market oriented How market orientation capability to influence strategy design.	Theoretical model to explain how firms create a market orientation. Empirical study under the financial support of the general knowledge promotion program of the Spanish ministry of education and culture. A sample was drawn from the Duns and Bradstreet (2001) directory of Spanish registered firms where 2,610 units.	In contrast to current conceptualizations, the authors find that creating a market orientation requires dramatic changes to an organization's culture and the creation of organizationally shared market understandings. The findings offer new insights into how organizations develop a greater market orientation, organizational change, and the nature of market orientation, including the role of intra-organizational power and organizational learning in creating and sustaining a market orientation. Results indicate that market orientation may be regarded as a valuable resource to compete that fosters the achievement of a competitive advantage and whose effects are also clearly manifested in the strategic orientation adopted by an organization.

<p>AHMET H. KIRCA, SATISH JAYACHANDRAN, & WILLIAM O. BEARDEN (2005)</p> <p>Market Orientation: A Meta-Analytic Review and Assessment of Its Antecedents and Impact on Performance</p>	<p>The paper aims to show a multivariate analysis to illustrate the paths through which market orientation influences performance.</p> <p>The article proposes to provide insights into sample and measurement characteristics that moderate the market orientation–performance relationship.</p>	<ul style="list-style-type: none"> - Provide a quantitative summary of the bivariate findings; - Use of multivariate analyses of aggregate study effects. - Use of regression analysis. 	<p>The authors find that the market orientation–performance relationship is stronger in samples of manufacturing firms, in low power-distance and uncertainty-avoidance cultures, and in studies that use subjective measures of performance.</p> <p>The authors also find that the market orientation–performance correlation is stronger for both cost-based and revenue-based performance measures in manufacturing firms than in service firms. On the basis of the findings, the authors conclude with a discussion of the implications for practice and further research.</p>
<p>NIKALA LANE (2005)</p> <p>Strategy implementation: the implications of a gender perspective for change management</p>	<p>To analyze the characteristics of successful implementers and the impact of manager gender. The results may provide insight into implementation capabilities in strategic marketing and more generally.</p>	<p>Single company and multi-company studies where the implementation capabilities of male and female field sales managers are examined.</p>	<p>The paper revealed the role of female managers in implementing new management techniques in sales organizations — namely, the introduction of behaviour-based management control strategies as an indicator of a possible gender dimension in more general implementation capabilities. The conclusion that superior implementation capabilities are shown by female sales managers in the implementation of behaviour-based control strategies, may be considered provocative.</p>
<p>KARSTEN SAUSEN, TORSTEN TOMCZAK & ANDREAS HERRMANN (2005)</p> <p>Development of a taxonomy of strategic market segmentation: a framework for bridging the implementation gap between normative segmentation and business practice</p>	<p>To solve the paradoxes: -What is the objective of performing market segmentation? -Which unit of analysis will be selected for the segmentation?</p>	<p>Empirical findings, taxonomy of four market segmentation strategies is developed that addresses these shortfalls.</p>	<p>The findings show that segmentation can be induced from the customer as well as from the market; but most importantly, there has to be consistency between the objective and the unit of analysis of a market segmentation.</p> <p>These findings provide both useful managerial implications.</p>

<p>SHIH-TUNG SHU, VERONICA WONG & NICK LEE (2005)</p> <p>The effects of external linkages on new product innovativeness: an examination of moderating and mediating influences</p>	<ul style="list-style-type: none"> - Identify the relative importance of alternative external linkages in the development of more innovative products. - Examine the extent to which the firm's absorptive capacity moderates the relationships between external linkages and new product innovativeness. - To test the extent to which the positive impacts of the firm's absorptive capacity and external linkages on innovative product development are mediated by gains in the stock of new knowledge pertinent to the new product project. 	<p>Analysis of 116 new product development projects in Taiwanese Information Technology (IT) firms.</p>	<p>The study shows that horizontal linkages more strongly impact on new product innovativeness than vertical linkages. The firm's learning ability or absorptive capacity increases new product innovativeness. It also moderates the impacts of corporate and research institute linkages on new product innovativeness. Moreover, it is confirmed that knowledge gains mediate the positive impacts of absorptive capacity and external linkages on new product innovativeness.</p>
<p>BRUCE H. CLARK, ANDREW V. ABELA & TIM AMBLER (2005)</p> <p>Organizational motivation, opportunity and ability to measure marketing performance</p>	<ul style="list-style-type: none"> - Explore the drivers of performance information processing, satisfaction with marketing performance assessment systems, and top management intentions to change them. 	<p>A survey of senior managers at 66 large corporations.</p>	<ul style="list-style-type: none"> - The study reveals that organizational ability and opportunity to process marketing performance information appear to have positive effects on both the sophistication of processing and satisfaction with performance measurement. - Motivation to process has both direct and moderating effects on future measurement spending plans. - Satisfaction with the system did not appear to influence future spending plans. - Managerially, developing the organization's ability to interpret performance data appears to have the strongest effects on managers' attitudes and intentions regarding the measurement system.

<p>JASON B. MACDONALD & KENT E. NEUPERT (2005)</p> <p>Applying Sun Tzu's terrain and ground to the study of marketing strategy</p>	<p>The authors apply Sun Tzu's discussion of ground and terrain, the controllable environmental variables, to the study of marketing strategy</p>	<p>Comparison between figurative battlefield of war (Sun Tzu's <i>The Art of War</i>) and marketing competition</p>	<p>It is demonstrated how Sun Tzu's ground and terrain can serve as parsimonious typologies of competitive market situations that are useful for the study of marketing theory and practice.</p>
<p>ART WEINSTEIN (2006)</p> <p>A strategic framework for defining and segmenting markets</p>	<ul style="list-style-type: none"> - How to define relevant and pre-segmented markets. - Review useful market Terminology and explain how a field-tested, multipartite framework which is rooted in the strategic marketing literature can be used for developing practical and optimal market definitions and segmentation approaches for business and high-tech companies. 		<p>A model for market definition and segmentation was developed in an industrial high technology setting. The end product of this process was discussed, examples provided, and managerial implications presented. Without empirical support and sound theory, market definition in industrial markets is likely to remain an issue strictly for marketing scholars and practitioners to debate.</p>
<p>SHARON PONSONBY-MCCABE & EMILY BOYLE (2006)</p> <p>Understanding brands as experiential spaces: axiological implications for marketing strategists</p>	<ul style="list-style-type: none"> - The article proposes that firms could gain more control over brand loyalty building by creating experiential brand places (brandscape) that could house cognitively and emotionally stimulating experiences for consumers. – To discuss the cognitive and emotional potential of brandscapes for cultivating long term value creation and brand loyalty but notes the risks involved in attempting this. 		<p>One way of 'cultivate customer loyalty' (McAlexander and Schouten, 1998, p. 378), is to support the consumption experience of the brand by creating brandscapes that allow consumers to experience the brand communally as a place. This experience is expected to enhance consumers' view of the brand and intensify their commitment and loyalty to it. The problem for strategic marketers and brand managers alike is ensuring the value adding potential of the brandscape. Evidence from recent studies suggests that this is becoming increasingly difficult as a result of a growth in anti-branding activities instigated by consumers (Holt, 2002; Brown et al., 2003).</p>

<p>JOZE'E LAPIERRE & ROXANE G. MEDEIROS (2006)</p> <p>Information and communication technology usage patterns: a case study</p>	<p>To reveal usage pattern by identifying ICT clusters for a sales force in a large telecommunication firm in Canada.</p>	<p>Cross-regional comparison of usage patterns composed of different mixes of 32 mature and emerging ICT (in Canada).</p>	<p>The findings provide a useful mechanism enabling strategic management to better allocate resources and identify training needs. Managers face several issues that merit attention when developing strategy:</p> <ul style="list-style-type: none"> - First, high monetary and non-monetary costs, along with high implementation failure rates, call for a fuller understanding of what salespeople need to harvest the full potential of SFA (Keillor et al., 1997); - Second, the ICT clusters or usage patterns identified for Quebec and Ontario provide a detailed picture of which ICT are used in an interrelated manner; - Third, comparison of the usage patterns of newly recruited salespeople and more experienced sales force may help orient training by encouraging use of interrelated ICT; - Fourth, usage patterns may be used as a strategic tool since they allow managers to optimize ICT usage among mature and emerging technologies; and, - Fifth, usage patterns may also be used as a diagnostic tool by integrating them into technological audit. This would prove essential for dismissing expensive ICT that can be replaced with more mature, less costly ICT or, alternatively, replacing a mature ICT that is no longer appropriate for a new sales orientation (Ingram et al., 2002). <p>The investigation provides recommendations for policy makers in the provision of trade assistance programmes to high-tech firms of this type that are finding it difficult to compete in overseas markets. It was found that although some firms had considered that they could not be competitive by operating an export strategy in serving overseas markets, alternative market entry strategies involving sourcing from developing countries had enabled them to remain competitive.</p> <p>The findings of this study support the assertion of Bell and Young (1998) that some firms are in 'states' of internationalization, with different stimuli affecting forward and backward movement between stages (as defined in the stage models).</p>
<p>DAVE CRICK & SHIV CHAUDHRY (2006)</p> <p>International marketing strategy in the electronics industry: a follow-up investigation of UK SME's 18 months after the export withdrawal decision</p>	<p>To state the reasons why a sample of high-tech oriented UK smaller-sized firms discontinued export activities.</p>	<p>A follow-up study to an investigation on a sample (12) of high-tech oriented UK smaller-sized firms.</p>	

<p>CARMEN VALOR (2006)</p> <p>What if all trade was fair trade? The potential of a social clause to achieve the goals of fair trade</p>	<p>The paper focuses on one of the strategies proposed in the name of 'fair trade': the inclusion of social clauses in trade agreements:</p> <ul style="list-style-type: none"> - Will the inclusion of a social clause in bilateral and multi lateral trade agreements help to achieve the objective of fair trade? 	<p>The conclusion of the article follows that only to some extent will the inclusion of a social clause in trade agreements help to achieve the goals of the Fair Trade movement. Since it does not aim at altering 'unjust' trade structures but 'unfair' labour practices, the social clause should be better understood as an improvement of existing Ethical Trade initiatives.</p> <p>From a theoretical point of view, the social clause will only partially achieve the objectives attached to the Fair Trade initiatives. Because the social clause does not attempt to change current market structures, it should be analysed as a strategy similar to the Ethical Trade.</p> <p>From a practical point of view, as suggested above, these theoretical benefits will only materialise if, firstly, the social clause is attached to trade agreements, and secondly, if its implementation is effective to achieve the objective.</p>
<p>SCOTT DAVID WILLIAMS (2007)</p> <p>Gaining and losing market share and returns: a competitive dynamics model</p>	<p>To present a model linking strategic action to shifts in market share and returns.</p>	<p>Competitive actions that are not met with responses by rivals generate the most favorable consequences for actors.</p> <p>The greater the number of competitors' responses, and the more quickly they respond, the greater the attenuation of the initiators' gains from their action.</p> <p>Significant strategic actions that are difficult to implement and demonstrate strategic commitment on the part of the actor discourage response.</p> <p>Complex and unpredictable strategic actions promote market share gains, and the number of moves a firm makes is positively associated with profitability</p>
<p>MARIA KALAMAS, MARK CLEVELAND, MICHEL LAROCHE & ROBERT LAUFER (2006)</p> <p>The critical role of congruency in prototypical brand extensions</p>	<p>The study focuses on the critical role of congruency in prototypical brand extensions.</p>	<p>Preliminary analyses, revealed robust variations across the six brands with respect to the level of extension congruency.</p> <p>It was developed and tested three structural equation models linking these aforementioned variables, for congruent, moderately congruent, and incongruent extensions.</p> <p>Results indicate that — irrespective of the level of extension congruency — perceptions of fit had the strongest influence on extension success.</p> <p>While parent brand affect directly and indirectly influenced success for congruent brand extensions, these parent-brand associations played no significant role for moderately congruent and incongruent brand extensions.</p>

<p>SUNGHO LEE, SUNG-JOON YOON, SANGUK KIM & JONG-WHAN KANG (2006)</p> <p>The integrated effects of market-oriented culture and marketing strategy on firm performance</p>	<p>The study intends to develop the relationship between market-oriented culture and the marketing strategy-making process. It also intends to verify the suggested relationship.</p>	<p>The study employed market oriented culture and the marketing strategy-making process of a firm as constituents of its marketing competence, based on reviews of related literature. It also surveyed managerial personnel from a range of firms.</p>	<p>It was found that market-oriented culture does not only affect firm performance directly, but does so indirectly by affecting the marketing strategy making process. Results demonstrated that the components of market-oriented culture can be interpreted by a step-wise linear association model, and using this model the previous conclusion that market-oriented activities have a significant influence on firm performance was reaffirmed. The study also identified shortcomings and aimed to propose suggestions for assessment methods employed by Menon et al., (1999) regarding components of the MSM process. It was proved that MSM provides the link between market-oriented culture and real implementations of marketing strategy, and that its influence upon firm performance rises with the increase in environmental turbulence. The basic tenet of the study is, then, that without the presence of both market-oriented culture and MSM, the satisfactory fulfillment of corporate goals would be difficult. Thus firms must first follow a MSM procedure based upon a firm foundation of market-oriented culture to enhance firm performance.</p>
<p>BOB DOHERTY & JOHN MEEHAN (2006)</p> <p>Competing on social resources: the case of the Day Chocolate Company in the UK confectionery sector</p>	<p>The paper reviews recent developments in the fields of strategic marketing and relation to value, value chains, competitive resources and competitive advantage.</p>	<p>A case study of the Day Chocolate Company: a UK-based fair trade company was started in 1998 with the aim of providing more equitable market access for Ghanaian cocoa growers and has many unique features, such as equity ownership for its supplier Kuapa Kokoo Farmers Co-operative.</p>	<p>Contemporary theories of value creation stress a change from hierarchical value chains to value networks or constellations. The case study presented illustrates a new business model, which addresses both of these issues, and so demonstrates the viability of competitive strategies based on more socially acceptable business practice. The paper argued that pursuit of social objectives, rather than being a consequence of achieving profitability by more self-serving business practices can furnish an organization with the competitive resources to develop effective marketing strategies to deliver those profits.</p>

<p>STEPHANIE O'DONOHUE & DARACH TURLEY (2007)</p> <p>Fatal errors: unbridling emotions in service failure experiences</p>	<p>The paper explores emotional dimensions of service failure experiences. In keeping with the Celtic spirit, its origins have more to do with coincidence than calculation; unsolicited comments from interviews with service providers dealing with bereaved consumers led us to explore service failure in a context that was already highly charged.</p>	<p>A review literature on emotions in services and on service failure and recovery. A study examining the experiences of frontline staff who deal with distraught consumers following a service failure, and we consider the implications of our findings for marketing theory, research and practice.</p>	<p>This study sought to understand the experiences of a group of service employees required to engage with and assuage bereaved clients following a service breakdown. Put in mainstream market-speak, they deal with dissatisfied customers. The findings highlight the inherent impoverishment and inability of the term 'dissatisfaction' to do justice to the breadth and depth of the emotional tableau evinced by such failures. They also underscore how the expression 'dealing with dissatisfied customers' can be glibly reeled off and reduced to aseptic, emotionally uninvolved, prescriptive blueprints that downgrade and debase the emotional labour of frontline staff. In this case, it may be no coincidence that all the staff we encountered were female; emotional labour is often seen as the preserve of women and discounted on that basis. This research has shown how placers have a 'hostage relationship' (Colwell and Hogarth-Scott, 2004) with their local newspaper, how switching is not an option and yet, despite this, staff can comport themselves in such a way that clients' right to complain is never minimized or questioned.</p>
<p>RICHARD A. HEIENS; ROBERT T. LEACH & LEANNE C. MCGRATH (2007)</p> <p>The contribution of intangible assets and expenditures to shareholder value</p>	<p>The study investigates the role of intangible assets and expenditures in the search for shareholder value. The study also assesses the impact of intangible assets and expenditures on a direct measure of corporate shareholder accountability, market adjusted holding period returns.</p>	<p>Utilizing a sample of 1,657 actively traded manufacturing firms.</p>	<p>The findings indicate that advertising, goodwill, and research and development do not have significant positive impact on shareholder value, as measured by holding period returns. Instead, only intangible assets other than goodwill, which include the value of patents, copyrights, licenses, and trademarks, have a positive impact on shareholder value.</p>
<p>YUHUI GAO & FRANK BRADLEY (2007)</p> <p>Engendering a market orientation: exploring the invisible role of leaders' personal values</p>	<p>The paper argues that personal values, the primary driver of motivation, fundamentally determine human behavior. One of the objectives of the study is to fill the gap in the current literature.</p>	<p>Exploring systematically the relationship between the two constructs.</p>	<p>In the paper, a series of propositions was derived which suggests that leaders with different sets of personal values tend to emphasize different dynamics of market orientation. <i>"If leaders recognize the invisible role that personal values play, they may be able to create a more balanced market-orientated organization and, hence, create competitive advantage for the firm. But such balance can only be achieved if leaders know themselves or as the ancient Chinese war strategist Sun Tzu said 'know yourself and your opponent to be guaranteed victory'."</i></p>

<p>OLIVIER FURRER; MARIA TEREZA ALEXANDRE & D. SUDHARSHAN (2007)</p> <p>The impact of resource-strategy correspondence on marketing performance – financial performance tradeoffs</p>	<p>The paper suggests that the relationships between strategy and financial performance and between strategy and marketing performance depend on the resource bundle and strategy of a firm: the better the correspondence between strategy and resource bundle, the better the performance.</p>	<p>By building empirically calibrated models of the marketing and financial performance with: Sample; Measurement of resource endowment; Measurement of a firm's strategy; and, Measurement of financial and marketing performance</p>	<p>The paper shows that the optimum strategies for the two are not the same and more importantly that the difference varies depending on the resource bundle of a firm.</p> <p>The paper empirically shown that a firm's performance is a function of the degree of correspondence between its resource endowment and its strategy profile. In the Marketing Technology Industry, we identified four configurations of firms with different resource endowment (Generalists, Marketing Specialists, Technology Specialists, and Marketing Technology Innovators).</p> <p>The paper showed that a strategy designed for superior financial performance is likely to be different than a strategy designed for superior marketing performance. It also showed that the opportunity cost of focusing on one performance objective rather than another can be imputed, and that the opportunity cost is a function of a firm's resource bundle.</p>
<p>ASHA PANKHANIA; NICK LEE & GRAHAM HOOLEY (2007)</p> <p>Within-country ethnic differences and product positioning: a comparison of the perceptions of two British sub-cultures</p>	<p>The study examines the effect of within-country ethnic differences on brand positioning</p>	<p>It was selected a sample using ethnicity as a criterion, specifically aiming to get as near a 50/50 split between UK Indians and Caucasians as possible. This was achieved, with 100 Caucasians and 101UK Indians. In order to avoid gender bias, I was also aimed to get a 50/50 split between males and females, which was achieved to all intents and purposes (103 males, 98 females).</p>	<p>The paper found that the two groups (British of Indian extraction, and Caucasian British) display appreciably different values, and also place different levels of importance on different product attributes when evaluating brands. Furthermore, the two groups exhibited different perceptions of the same set of brands. The results suggest that, to position brands effectively, marketers should take account of cultural diversity within countries as well as between them.</p>

<p>FRED LANGERAK; ERIK JAN HULTINK; & HENRY S. J. ROBBEN (2007)</p> <p>The mediating role of new product development in the link between market orientation and organizational performance</p>	<p>The study tests hypotheses on the mediating effects of the proficiency in new product development activities and new product performance on the relationship between market orientation and organizational performance</p>	<p>The sample consisted of 475 Dutch firms with independent R&D; Through a telephone pre-survey were identified 315 firms; A total of 211 knowledgeable informants willing to cooperate; These efforts yielded 126 responses.</p>	<p>The results present evidence for the mediating roles of the proficiency in commercialization activities and new product performance. These mediating roles are consistent for three moderator variables: technological turbulence, market turbulence and innovation strategy.</p> <p>The paper also shown that the influence of market orientation on organizational performance is completely channeled through proficiency in NPD and new product performance.</p> <p>This result shows too that market orientation influences organizational performance in a much more subtle and complex, but manageable way, than has hitherto been presumed in the marketing and NPD literatures.</p>
<p>FAHRI KARAKAYA & ROGER A. KERIN (2007)</p> <p>Impact of product life cycle stages on barriers to entry</p>	<p>The paper focuses on the importance of barriers to entry in five industries and examines the impact of industry and product life cycle stages on barriers to entry.</p>	<p>A personalized cover letter attached to the instrument was mailed to top-ranking marketing executives of 594 corporations. The sample was selected from the biotechnology, waste management, pharmaceutical preparation, tobacco, and distilled spirits and blended liquor industries. 149 surveys were completed and returned by the marketing executives (26% response rate).</p>	<p>The results show that statistically significant differences in the importance of barriers are present among the industries and product life cycle stages.</p> <p>Both industry and PLC stages should be utilized as contingency factors in market entry strategy formulation, including the mode and timing of entry.</p> <p>It is also clear that finances required for capital expenditures and competitiveness are important determinants of market entry decisions for potential market entrants.</p>

<p>FRANCINE K. SCHLOSSER & ROD B. MCNAUGHTON (2007)</p> <p>Internal stakeholder views of a market orientation strategy: implications for implementation</p>	<p>The paper investigates how employee stakeholders perceive the market orientation process used to get and respond to information. this paper provides a qualitative empirical assessment of the thematic differences and commonalities among internal (employee) stakeholders. First this study is anchored in market orientation, dynamic capabilities and stakeholder research.</p>	<p>Through interviews and focus groups: - interviews with 12 executive strategy setters and ten distributors; - focus groups include 30 management and non management employees with responsibility for implementing the market-oriented strategy of the same organisation.</p>	<p>Results of first stage interviews indicated that executives wished to develop a market-oriented culture, and that the company was generally considered by distributors to be market-oriented in comparison to its competitors. Additionally, their comments supported the Agency Call Program as including many of the elements of a market-oriented program. Employees in the focus group also placed value upon market-oriented aspects of the program.</p> <p>The article adds to the understanding of issues that are important to internal stakeholders. A market-oriented strategy may introduce tactics that involve employees at all levels of the company.</p>
<p>HO YIN WONG A & BILL MERRILEES (2007)</p> <p>Closing the marketing strategy to performance gap: the role of brand orientation</p>	<p>The aim of the paper is to report a recent empirical study that can close the gap between marketing strategy and performance.</p>	<p>2,559 questionnaires were sent out to Australian firms. 403 were returned and usable, resulting in a 16% response rate.</p>	<p>Marketing strategy and innovation level were found to influence significantly brand performance. In turn, brand orientation moderated the path from marketing strategy to brand performance.</p> <p>The results also suggest that brand orientation, marketing strategy and innovation can influence brand performance and it is brand orientation that offers extra benefits in terms of partly closing the strategy-performance gap.</p> <p>The paper has shown that there is a statistically significant relationship between effective marketing strategies and brand performance.</p> <p>Another critical finding and a clear addition to the literature is evidence that the gap between strategy and performance can be partially closed by firms adopting a high brand orientation. It is not enough to focus just on the marketing strategy. Implementation of the marketing strategy is also very important for getting high performance outcomes.</p>
<p>RANJIT VOOLA, GIAN CASIMIR AND HILDE HAUGEN (2003)</p> <p>Leadership styles, internal marketing and market orientation: Conceptualizing the relationships</p>	<p>This paper integrates the marketing literature with leadership literature and proposes a conceptual framework to illustrate the relationships between these factors.</p>		<p>In order for organizations to become truly market-oriented, a richer understanding of the relationships between leadership styles, trust, internal marketing and the processes that lead to MO seems essential. Additionally, due to the unique characteristics of service organizations, these organizations require leaders, who are employee-oriented, achievement-oriented, and trustworthy in order to get the most of their employees and obtain the full benefits of MO.</p>

<p>SUBRAMANIAN SIVARAMAKRISHNAN, DAVID ZHANG, MARJORIE DELBAERE & EDWARD BRUNING (2008)</p> <p>The Relationship between Organizational Commitment and Market Orientation</p>	<p>The paper hypothesizes that organizational commitment mediates the relationship between a market based reward system and market orientation, and moderates the strength of the relationship between top management emphasis and market orientation.</p>	<p>Data collected from 105 firms and 306 managers across Canada indicate that organizational commitment fully mediates the relation between market-based reward systems and market orientation.</p>	<p>The model postulates that a market-based reward system impacts market orientation mediated by organizational commitment, implying that a market-based reward system by itself cannot lead to an enhanced market orientation culture. The data confirm Jaworski and Kohli's (1993) original proposition that top management's emphasis has a strong and direct impact on market orientation. The results indicate that the relation between top management emphasis and market orientation is not moderated by organizational commitment, contrary to our hypothesis. Results also show that organizational commitment is antecedent to market orientation as it is required for a market-based reward system to develop a market orientation culture.</p>
<p>AJAY K. KOHLI, BERNARD J. JAWORSKI, AJITH KUMAR (1993)</p> <p>MARKOR: A Measure of Market Orientation</p>	<p>The author defines market orientation as the organization wide generation of market Intelligence pertaining to current and future needs of customers, dissemination of Intelligence horizontally and vertically within the organization, and organization-Wide action or to market. The authors describe responsiveness Intelligence. Procedure to develop a measure of the construct</p>	<p>The authors discuss methodological, substantive, and application directions for future research in light of these findings.</p>	<p>The market orientation measure (MARKOR) assesses the degree to which a SBU (1) engages in multi-department market intelligence generation activities, (2) disseminates this intelligence vertically and horizontally through both formal and informal channels, and (3) develops and implements marketing programs on the basis of the intelligence generated. Key attributes of the measure include (1) a focus on customers of the SBU and the forces that drive their needs and preferences, (2) activity-based items, not business philosophy, and (3) a demarcation of a general market orientation factor and associated component factors. Though the measure represents a significant step forward, several methodological, substantive, and application issues warrant consideration.</p>
<p>NARVER AND SLATER (1990)</p> <p>The Effect of a Market Orientation on Business Profitability</p>	<p>The development of a valid measure of market orientation and analyze its effect on a business's profitability.</p>	<p>371 executives of 140 U.S. companies engaged in different businesses.</p>	<p>There is a significant relationship between market orientation and profitability. However, the functional form of this relationship is different in each business. They describe the effects on market orientation and the results may have different aspects of the environment (market growth, bargaining power of customers and suppliers, concentration, etc.) and the company (size, relative costs, etc.).</p>

<p>EVA TOMÁŠKOVÁ AND ALENA KOPFOVÁ (2010)</p> <p>Influence of strategic management on market orientation</p>	<p>The objective of the paper is to summarise and analyse perceive of new knowledge about strategic management and its influence on new knowledge of market orientation.</p>	<p>Data are noticed in some research studies and are filled about results of “Research on implementation on market orientation in Hi-Tech Firms”</p>	<p>New approach toward strategic management developed in 90th of 20th century as well as development of market orientation. It could be the reason for that both of these approaches are constituted on the similar principles. New theory of strategic management forces education and innovation. Market orientation is based on conception of learning organization and innovation process as well as. Market orientation is constituted on base of strategic management. For that reason, strategic thinking can introduce one of the most important barriers of implementation market orientation. Deficiencies in the strategic thinking enforce short-term horizon, enforce current profit and forget about future challenges.</p> <p>Results from the research show that hi-tech firms in the Czech Republic use the main principles of strategic management as well as they implement the new knowledge about strategic management into managing of companies. Managers of hi-tech firms determine vision and goals and they monitor reaching of these goals. Managers of hi-tech firms prefer education of employee and herself education and innovation process. Hi-tech firms stress internal environment and customers. Competitors do not play the main role. Some barriers can be seen with regularly gaining and regularly analysis all of necessary information from the market especially about competitors and suppliers.</p>
<p>DESHPANDÉ, FARLEY AND WEBSTER (1993)</p> <p>Corporate culture, customer orientation and innovativeness in Japanese firms: a quadrant analysis</p>	<p>To relate business performance with customer's evaluation of the supplier's customer orientation</p>	<p>Marketing Surveys filled by Executives from a sample of 50 Japanese companies and their customers.</p>	<p>Cannot find a significant relationship between market orientation and profitability when is evaluated by company management. However, when the market orientation is quantified by the client relationship is more significant. The concept of market orientation is associated mainly with the Customer Orientation.</p>
<p>JAWORSKI AND KOHLI (1993)</p> <p>Market Orientation: Antecedents and Consequences</p>	<p>To answer 3 questions: (1) Why are some organizations more market-oriented than others? (2) What effect does a market orientation have on employees and business performance? (3) Does the linkage between a market orientation and business performance depend on the environmental context?</p>	<p>Surveys from American managers of two different samples. One includes 164 and 131 marketing managers from other areas and another 230 officers of the AMA.</p>	<p>There is a significant relationship between market orientation and profitability. It confirms the influence of some factors on the extent of proposed company market orientation (interest of managers for the market dynamics between departments, etc.). However, other factors are less influential (market and technological turbulence, competitive intensity, etc.).</p>

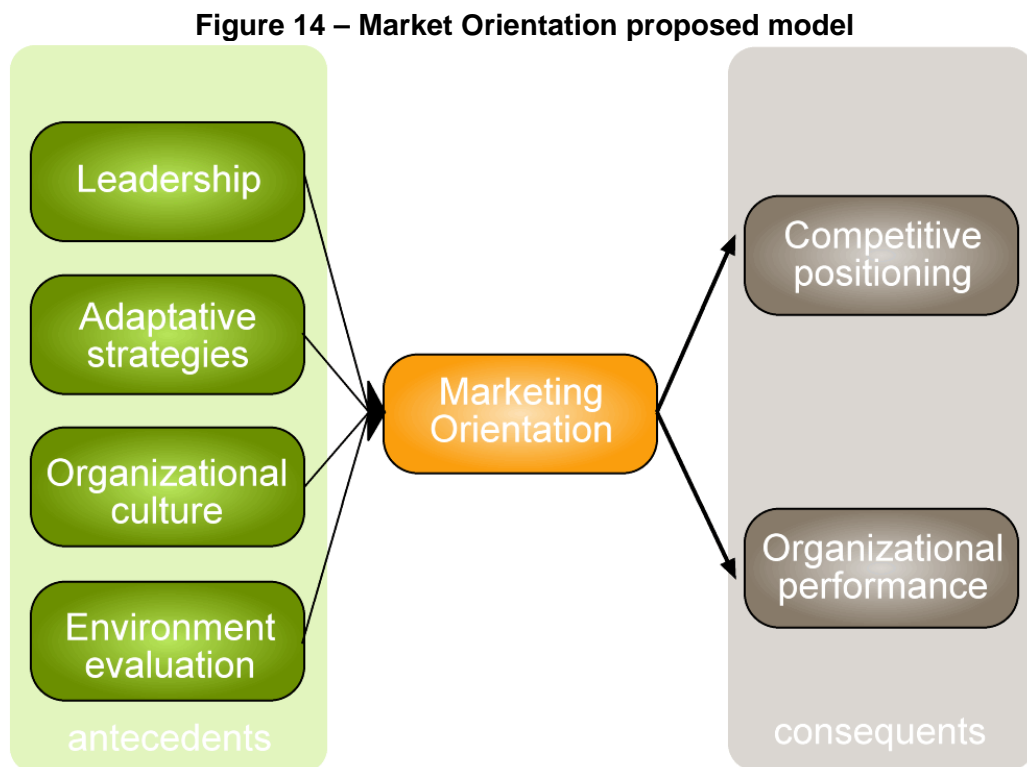
<p>SLATER AND NARVER (1994)</p> <p>Does Competitive Environment Moderate the Market Orientation-Performance Relationship?</p>	<p>The authors investigate how competitive environment affects the strength of the market orientation-performance relationship and whether it affects the focus of the external emphasis within a market orientation-that is, a greater emphasis on customer analysis relative to competitor analysis, or vice versa, within a given magnitude of market orientation.</p>	<p>Extends the study sample of 1990 including 36 other UEN.</p>	<p>There is a significant relationship between market orientation and profitability and the effects of moderating variables may have on this relationship are analyzed. The empirical evidence on the moderating effect of these variables is uneven and has some inconsistencies.</p>
<p>VALLE SANTOS ÁLVAREZ AND TERESA GARCÍA MERINO (2008)</p> <p>An Analysis of the Spanish Toy Sector from a Dynamic Perspective on Product Strategy</p>	<p>The article aims to contribute a descriptive study of the situation of the toy sector in Spain, by describing the product portfolio of each of the firms in the sector, and looking at the changes the companies have made in recent years.</p>	<p>The research adopts the product portfolio as its unit of analysis from which to analyze the sector's situation and the trends in its evolution, with focus on the specialization of the toy firms and the expansion of their portfolios within the sector.</p>	<p>The study has shown how firms with three very different portfolios coexist in this sector: specialist firms; generalist firms with quite deep portfolios; and firms with narrow portfolios of little depth. In the group under analysis as a whole, the generalists are the least frequent. Through results, it could be deduced that the competitive framework that characterizes the Spanish toy sector generally favors those firms opting to deepen their portfolios, and above all, those firms with wide portfolios.</p> <p>The research also demonstrated the importance of considering the product portfolio as an interesting perspective from which to characterize a sector and its evolutionary process.</p> <p>The study also shows the need to analyze the product portfolio not only in terms of variety, but also to consider information to do with the depth of the portfolio.</p> <p>The study transmitted, too, one clear message: managers, in their decisions about the content of their product portfolios, must allocate their organization's scarce resources so it can best meet the demands of its markets, and consequently balance the width of their portfolio with the depth dictated by their sector's competitive conditions</p>

CHAPTER 3 – CONCEPTUAL MODEL

3.1. MARKET ORIENTATION ANTECEDENTS

The concept of market orientation arises from some limitations that the marketing concept and has been presenting and it has the merit of concealing with the external factors combine a new focus on the internal dynamics, in particular, betting on a inter-departmental and inter-functional logic.

According to this we came with the following conceptual model as the basis for the formulation of research hypotheses.



Source: Author's own elaboration

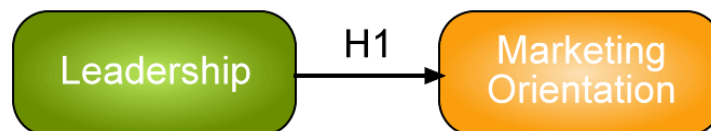
3.1.1 Leadership

The leadership contributes greatly to the company's implementation of a marketing philosophy in its strategic and operational performance, this being

achieved through a process of rapid internal communication, coupled with information sharing, then the leadership being associated with the components of orientation market. Desphandé et al. (1993) developed studies related to the relationship between leadership and market orientation in that the part is inserted in the aspects of organizational culture. Voola et al. (2003) suggest that internal marketing influences market orientation, as the product received is a human performance, with the employees playing a critical role in this performance. Consequently, employees need to be satisfied and motivated in order to exhibit those attitudes and behavior that are conducive for market orientation.

Considering the above we've come to the following hypothesis to test:

H1 The leadership is positively related to market orientation



3.1.2 Adaptative strategies

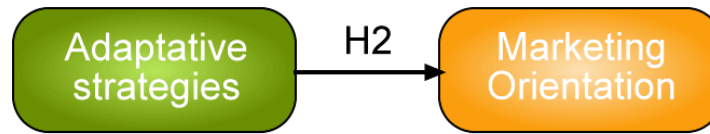
With the economies' globalization, high technology development and accelerated economic flows in recent times, it is required for organizations to think more demandingly about their way of being and acting. Freire (2000) defines the strategy, in essence, as a set of actions the company aims to provide customers with more value than offered by competitors.

However, the unique determinant of its classification as a competitive advantage is to comply in a superior way compared to its competitors, needs that customers give special emphasis.

According Tomášková and Kopfová (2010), Market orientation is constituted on base of strategic management. For that reason, strategic thinking can introduce one of the most important barriers of implementation market orientation. Deficiencies in the strategic thinking enforce short-term horizon, enforce current profit and forget about future challenges.

Considering the above we've come to the following hypothesis to test:

H2 The adaptive strategies are positively related to market orientation



3.1.3 Organizational culture

According to Pelham (1999) the market orientation must be complemented by entrepreneurial values to be more effective. Also studies by Bhuian and Habib (2000) show that market orientation and entrepreneurial orientation are positively related.

Deshpandé et al. (1993) argues that the culture of entrepreneurial firms performs better and, later, Hernandez and Phabmixay (2002) concluded that entrepreneurial firms are also those with higher levels of market orientation. Therefore, this author concluded, through a correspondence analysis, that among firms with higher levels of market orientation predominates an entrepreneurial culture.

Greater formalization of tasks, and communications, arises sometimes associated with market orientation, leading to greater involvement of the information generation, its dissemination and responsiveness. However, the nature and direction of this relationship is not clear enough, although still being studied. Relations with customer orientation were found by Hartline, and McKee (2000).

Similarly, when the degree of centralization in the company presents itself leads to the high power and decision-making remains a small number of people. This feature, at first, presents itself as a barrier to communication, gradually undermining the organization's success. However, unlike the formalization, this seems to present a clearer relationship with market orientation, as it seems to be an obstacle. As indicated in Kohli et al. (1993:56), the centralization variable may be defined as the "inverse of the level of delegation of decision-makers across the organization and degree of participation of organizational members in decisions" that can frustrate the organization.

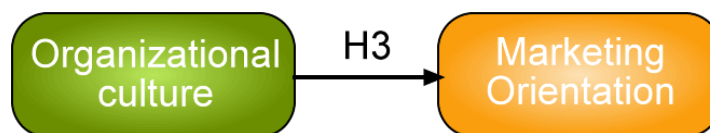
The creation of autonomous departments seems to be a consequence of the organizational development of enterprises. Thus, an attempt will be developed

between the different departments of the company, formal and informal relationships in order to minimize potential conflicts, to avoid a weak communication between them, and to avoid conflicting or dubious relations with its surroundings. The existence of interdepartmental conflict may affect the reaction itself and the company's growth to the market and thus lead to the conviction of its existence.

Thus, the connection between the different departments can be seen as a favorable feature and useful to the organization since it facilitates the dissemination of information and respond to the market through the development of a communication that extends to all parts of the organization and encourages exchanges adapted to changes in environment.

Considering the above we've come to the following hypothesis to test:

H3 Organizational culture is positively related to market orientation

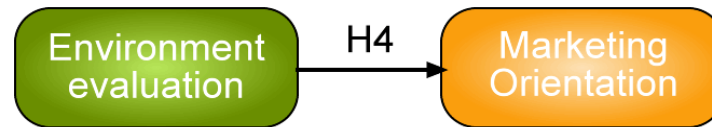


3.1.4 Environment evaluation

As the market orientation is an essential pillar for the development and success of modern organizations, in addition, it is required an increasing openness to organizational learning. Thus, according to Slater and Narver (1995:63), "the challenge for any business is to develop the symbiosis between cultural values and the environment to maximize the Continuous Organizations Learning". Another point to note is the fact that learning becomes easier to change and adaptation of behaviors, thereby increasing the performance of companies (Baker and Sinkula, 1999).

Considering the above we've come to the following hypothesis to test:

H4 The evaluation of the environment is positively related to market orientation



3.2. CONSEQUENCES OF MARKET ORIENTATION

3.2.1 Competitive Positioning

According to Slater and Narver (1994:46), being the market orientation a generation and dissemination of market information that is made for information on current and future needs of customers and exogenous factors that influence those needs, it becomes necessary that such information is properly shared between different areas of the organization. Thus it can be concluded that market orientation facilitates and promotes the role of people who participates in the organization but also of their own groups and departments, which contributes to a superior performance.

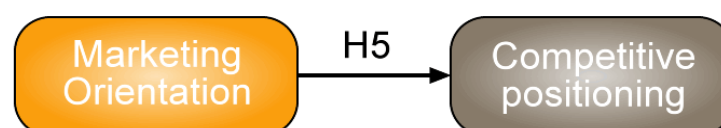
Porter (1996) confirms the need for and potentialities of differentiation, as the operating efficiencies (better quality, excellent organization and accurate, cost optimized) are being achieved by many, translating into a relentless fight.

Among the strategies of differentiation, there is an element that has a particular strength, which is innovation. This not only generates a competitive advantage, as it is able to destroy the competitive advantage of other competitors (Baker and Sinkula, 1999).

We can say that, overall, the market orientation contributes to an increase in profits changing attitudes and culture, creating more customer-oriented sales forces, and increasing the potential for success of new products.

Considering the above we've come to the following hypothesis to test:

H5 Market orientation positively affects the competitive positioning



3.2.2 Performance

For Kohli et al. (1993) the market orientation is a source of competitive advantage and therefore an important determinant of business performance, regardless of market turmoil, technology and intense competition.

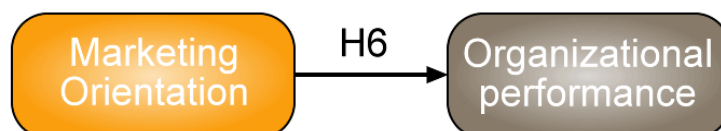
For Deshpandé (1999), “many observers note that an organization highly market-oriented will be practicing the marketing concept in all the fundamentals and therefore have a competitive advantage in reconciling with an inside view, an outside view to respond more quickly and effectively to environmental constraints and opportunities.”

“The performance can be widely viewed in the literature from two perspectives: first, as a subjective concept, is related to the performance of organizations according to their own expectations (Pelham and Wilson, 1996) or in relation to competition (Verhage and Waarts, 1988), “The second method is the objective concept, based on absolute measures of performance (Chakravarthy, 1986; Cronin and Page, 1988).

Empirical studies on the relationship between market orientation and performance in business had its beginnings in the USA. In general, there was a positive relationship between market orientation and business performance; however, the idea persisted that studies in other environments might produce results quite different. That said, the target was launched to further studies on the same topic (Perin and Sampaio, 2001:3).

Considering the above we’ve come to the following hypothesis to test:

H6 Market orientation positively affects organizational performance



CHAPTER 4 – INVESTIGATION METHODOLOGY

4.1 MAIN GOAL

The theoretical analysis made in previous chapters leads to the definition of the objective of this work. In this sense, I intend to analyse how the in the cork sector are market oriented.

The choice of the cork industry was linked to reasons related to my experience as a consultant in various companies in the middle, and the lack of studies based on case studies in the sector. The work began with a literature review, followed by an analysis of the cork sector.

4.2 INVESTIGATION METHOD: CASE STUDY

In terms of collection, analysing and data handling, the study adopts a combined qualitative and quantitative approach in order to provide valid and representative assessments.

According to Strati, management studies should have the case study as investigation method, when the main goal is to understand, rather than test (Strati 2000). It looks for deeply knowledge on aspects and features of the studied object.

Thus, the quantitative analysis of data obtained from both primary sources (survey and visits to business) and secondary sources (data provided by various institutions, especially the ICEP, INE and APCOR) was supplemented with quantitative analysis obtained from personal contact with some of the companies in question (primary source) but also by other means such as magazines, articles and other studies related to the sector (secondary sources).

4.3 METHOD OF BUILDING THE QUESTIONNAIRE

As the object of study is new in the cork sector, it was important to explore the reality of the sector, resulting in the treatment of a wide range of variables.

The construction of the questionnaire began with a mental planning of it, was important to select information and prior knowledge of the sector. In this sense, I conducted some research on the topic under study, provided by consulting firms, and publications available to entities such as APCOR, ICEP and IAPMEI.

Furthermore, in preparing the questionnaire, I opted for introducing issues closed to facilitate the work of collecting and especially to better cope with the difficulty that many managers of SMEs to provide certain information about your business.

The analysis of information obtained and their consistency with the literature review were performed before were the basic point for the construction of the questionnaire.

4.4 IDENTIFICATION OF THE SAMPLE AND CRITERIA SELECTION

The starting point in the selection of companies was the database of ICEP, which includes exporting companies in the sector. However, taking into account that the work is intended to cover all types of businesses, exporting or not exporting, it was essential to join other firms.

Initially the questionnaire was sent to more than 100 firms, but due to lack of responses, it was necessary to add more companies.

Despite some errors, corrected over the collection of answers, the database of ICEP has proved to be the most appropriate solution, taking into account not only their relative reliability, but also an indication of business contacts. The database of ICEP includes quantitative information such as number of employees, level of exports and capital and share capital.

4.5 THE QUESTIONNAIRE

A structured questionnaire, consisting of two parts, was devised.

Part 1 includes seven groups of questions:

- Centralization of decision-making;

- Generation and dissemination of market information;
- Response to market;
- Positioning the risk and innovation;
- Evaluation of company performance (performance adaptive, relational and economic);
- Organizational culture;
- Assessment environment

The respondents were asked to give a rating on a seven-point Likert scale, with the descriptive equivalents ranging from strongly disagree (1) to strongly agree (5) and with answers like don't know (6) or not apply (7).

Part 2 intend to characterize the manager: know his age, gender, function, years of experience, educational route, idioms knowledge, if it is the firm founder, if he invest in training and the motives of entering on the business.

CHAPTER 5 – EMPIRICAL FINDINGS

5.1 DESCRIPTIVE ANALYSIS OF the SAMPLE

5.1.1 Company's Profile

In this chapter it will be made a descriptive analysis of the companies comprising the sample, collected through the questionnaire.

The purpose of this chapter is to characterize the demographic environment of the companies comprising the sample and use them to explain the research hypotheses test results.

The companies from the study are 100 companies in the cork industry in its majority belonging to the municipality of Santa Maria da Feira.

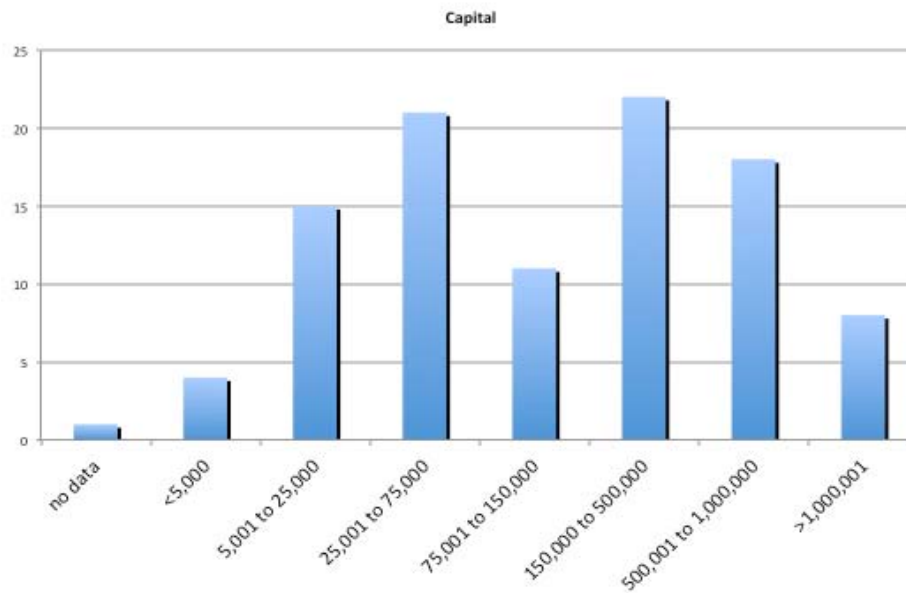
In order to best fit the survey sample its presented bellow the criteria that define an SME according to Recommendation 2003/361/EC:

Table 3 – Company's dimension criteria

CATEGORY	STAFF	TURNOVER	TOTAL BALANCE
Mean enterprise	< 250 (Unchanged)	<= 50 million euros (1996: 40 million)	<= 43 million euros (1996: 27 million)
Short enterprise	< 50 (Unchanged)	<= 10 million euros (1996: 7 million)	<= 10 million euros (1996: 5 million)
Micro enterprise	< 10 (Unchanged)	<= 2 million euros (not defined previously)	<= 2 million euros (not defined previously)

Source: EC – the European Comission, (2003).

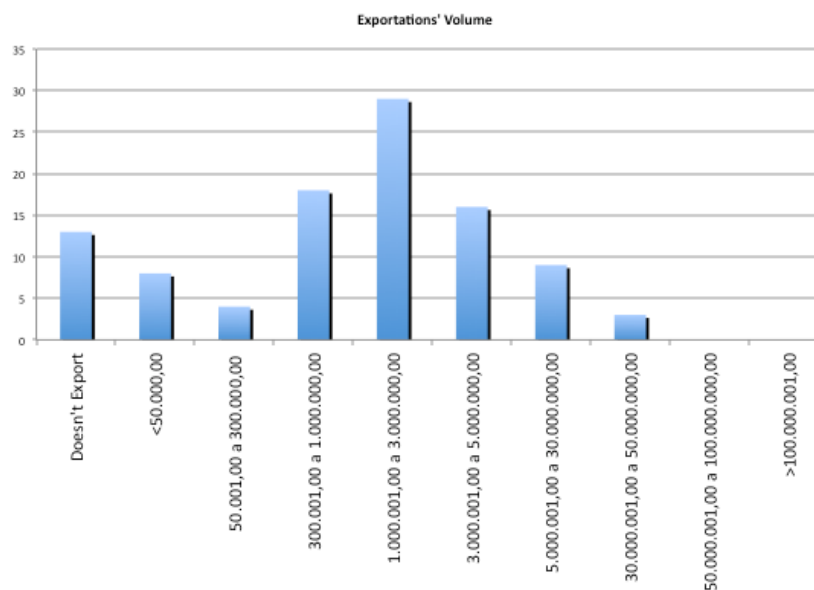
Figure 15 – Companies distributed by Share Capital



Source: Author's own elaboration

About 22% of the companies studied have a share capital belonging to the interval between 150 and 500 000 euros. In second place with about 21% of the group that owns a share capital of between 25,000 and 75,000 euros. In the set of companies over 90% have share capital of less than one million euros, which demonstrates the small business type that characterizes the sample.

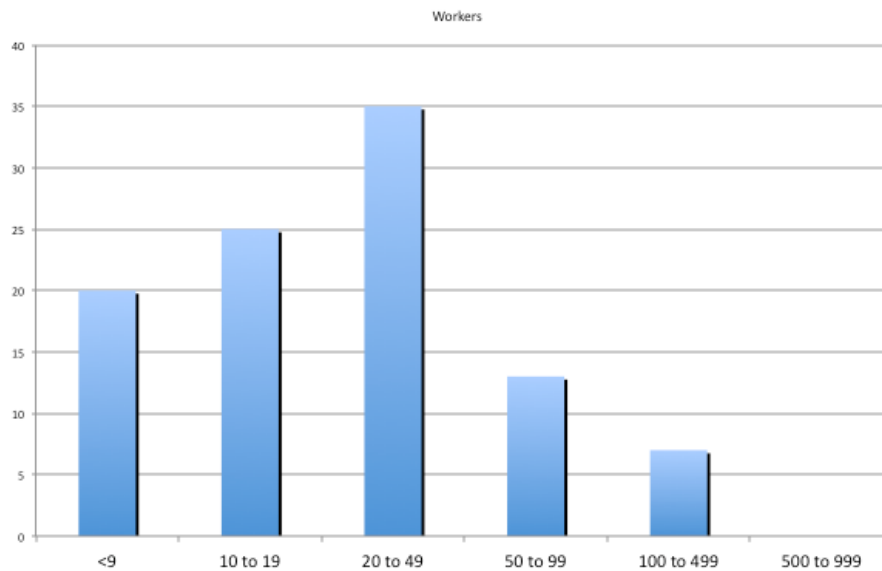
Figure 16 – Companies distributed by volume of Exportations (in EUR)



Source: Author's own elaboration

The first clear conclusion is that only 12% of firms do not export, which shows the exporting character of the sector. The largest share (30%) exports between 1 and 3 million annually. Only a small slice of the sample exports more than 30 million.

Figure 17 – Companies distributed by number of workers



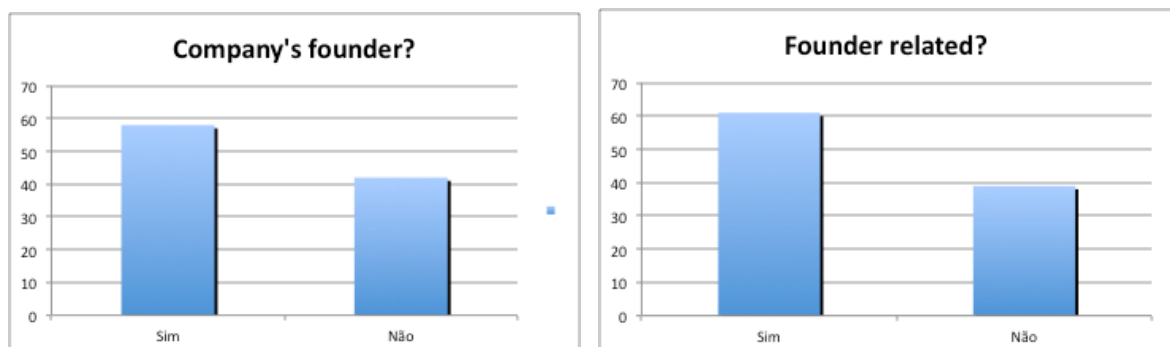
Source: Author's own elaboration

Regarding the number of employees, only 7 companies had more than 100 employees.

The bulk lies in the range of 20-49 employees attesting that the sector is predominantly composed of SMEs according to the criteria listed above.

5.1.2 Leadership Profile

Figure 18 and Figure 19 – Leadership profile



Source: Author's own elaboration

More than half of the companies represented (almost 60%) is led by its founder.

From the rest (40 companies), 60% of their leaders is related to the founder. Hence we come to another conclusion about the cork industry: a sector with predominantly family-oriented businesses.

5.2 DESCRIPTIVE ANALYSIS AND SCALES RELIABILITY ANALYSIS

Before starting the analysis of the proposed relationships in the conceptual model, it was verified the normality and variance of the items for each dimension of the model, using descriptive statistics – average, standard deviation, skewness and Kurtosis tests according West et al. (1995), for analysis using the maximum likelihood estimator of the values for these statistics must be parameterized with the following limits: skewness <2 Kurtosis <7, a condition which enables a later stage to perform subsequent analysis with multiple regressions.

5.2.1 Reliability Analysis of the scales (coefficient alpha)

The Cronbach's alpha is one of the most widely used measures for checking the internal consistency of a group of variables (items) and can be defined as the correlation that is expected between the used scale and other hypothetical scales from the same universe with equal number of items to measure the same trait, ranging between 0 and 1. In Table 5.2 is presented the range of values for Cronbach's alpha for the characterization of internal consistency.

Table 4 – Evaluation of Cronbach's alpha coefficient

Scale concistency	<i>Alpha Values</i>
Very Good	>0,9
Good	between 0,8 and 0,9
Okay	between 0,7 and 0,8
Weak	between 0,6 and 0,7
Inadmissible	<0,6

Source: Adapted from Pestana and Gageiro (2005).

Then we proceeded to a preliminary analysis that sought to eliminate in each scale items whose correlation between items was less than 0.4, in order to eliminate items that do not have measured the same concept. Through this procedure, we eliminated some items in some of the scales used.

In this exploratory phase, to the measures and scales used in the study was made the internal consistency analysis (Cronbach's alpha test), the figures show a good internal consistency, in accordance with the directions of Nunnally (1978) in which the coefficients internal consistency are acceptable (Cronbach alpha) of 0.7 or higher, however lower values up to 0.60 are often used in literature (ex. Wright 2007), as we shall see in the following interpretation of outputs.

Leadership

Table 5 – Statistics for Leadership

	Mean	Standard Deviation	Skewness	Kurtosis	Cronbach's alpha
The management, prior to making decisions, consults the employees	2,64	1,352	,559	-,343	0.821
Employees have ability to make decisions without consulting his superior	2,27	1,081	,516	-,615	
The work rules are defined by the employees	1,92	,918	,961	,659	
Employees are encouraged to take initiative at work	3,24	1,055	-,182	-,795	
The Administration explains and listens to employees about the tasks to accomplish	3,63	1,031	-,329	-,791	
Management motivates and cares about the welfare of employees	3,93	,935	-,540	,118	
Management treats employees fairly	4,02	,932	-,728	,756	
Management supports teamwork	3,93	1,047	-,073	,833	
Departmental managers have the capacity for initiative	4,52	1,567	,260	-,672	
Employees from each department involved in gathering information about the market	4,33	1,837	,127	-,888	
Employees from each department to disseminate information collected by the company	4,29	1,844	,272	-1,060	
Management supports the work undertaken in various departments	4,40	1,531	,486	-,412	
Valid N (listwise)	100				

Source: Author's own elaboration

In the dimension “Leadership”, it appears that none of the items notes a variance in the neighborhood of zero, the standard deviations range between 0.918 and 1.844, confirming the metric qualities of the scale for Leadership, in that it allows a differentiation of results. The normality of the items was evaluated by the values of skewness which have a range between -0.73 and 0.961 and Kurtosis with ranges between 0.833 and -1.06. These values are below the recommended limit, permitting the subsequent analysis with multiple regressions.

For all the 123 dimensions items the 0.821 value for the alpha test of Croanbach is considered good compared to the benchmarks described above.

Strategy

Table 6 – Statistics for Strategy

	Average	Standard Deviation	Skewness	Kurtosis	Cronbach's alpha
Rate of introduction of new products	4,21	2,056	,223	-1,243	,732
Degree of success of new products	4,83	1,809	,029	-1,225	
Degree of differentiation of new products	4,68	1,901	,076	-1,301	
Pioneers in the performance of new products	4,51	2,144	-,049	-1,433	
There is almost always a way to avoid failure	4,18	,968	-,440	,106	
The risk of losing an opportunity is as important as the risk of failure	3,94	1,205	-,307	-,603	
We seek ways to create value for customers through distribution channels, sales force and advertising	3,71	1,149	,347	,531	
We create partnerships with the best partners in the industry, before the competition	3,48	1,243	,369	,986	
Valid N (listwise)	100				

Source: Author's own elaboration

In this dimension, Marketing Strategy, the standard deviations vary between 2.144 and 0.968, confirming the metric quality of the scale used for this dimension.

The normality of the items, the values of skewness show a variation from -0.44 in 0.369 and Kurtosis with variations from -1.433 to 0.986, which are below the

recommended limit. For all the eight items of this dimension the 0.732 value for alpha Croanbach, a value above the reference value of 0.70, which shows a reasonable level of internal consistency of this dimension, Marketing Strategy.

Organizational Culture

Table 7 – Statistics for Organizational Culture

	Average	Standard Deviation	Skewness	Kurtosis	Cronbach's alpha
The learning ability of the company is the key to the development / competitiveness	4,06	,776	-,898	1,062	,680
The formation of an employee is an investment not an expense	3,43	1,066	-,171	-,888	
Learning is a necessary key to guarantee organizational survival	3,82	,957	-,545	-,554	
There is a well-defined concept of who we are and where we go as a team	3,44	,998	-,298	-,345	
The company's vision is across all levels – sections and departments	4,12	1,281	,418	1,066	
The top management has a well defined and unquestionable company vision	4,08	,861	-1,029	2,683	
Management greatly appreciates the extension of the contributions and skills of its employees	3,55	,880	-,065	-,237	
To encourage constant innovation is not part of our company culture	3,02	1,263	,422	-,180	
Valid N (listwise)	100				

Source: Author's own elaboration

In the dimension Organizational Culture the standard deviations for all items range between 0.776 and 1.281, confirming the metric qualities of the scale used for the Organizational Culture, as long as it allows a differentiation of results.

The normality of the 8 items in this dimension, in accordance with values of skewness that show a variation between -1.029 to 0.423 and Kurtosis with variations of -0.888 to 2.683, values which are below the recommended limit. For all the eight items of this dimension the 0.689 value of Cronbach's alpha seems weak, although close to the 0.70 recommended as reasonable to the consistency of the scale.

Environment evaluation

Table 8 – Statistics for Environment evaluation

	Average	Standard Deviation	Skewness	Kurtosis	Cronbach's alpha
Our goal is to satisfy customer needs about the product	4,64	,772	-1,826	13,291	,781
We aim to satisfy customer needs, about the price	4,10	1,059	-,776	,468	
We followed the strategies of product, pricing and distribution channel from competition	3,92	,950	,379	1,499	
We care about the size and strategy of intermediaries	4,16	,838	,847	3,067	
We know the size and life cycle of the market	4,07	,879	,044	,823	
There are prospects for growth and profits in the future	3,73	1,024	,509	,568	
We know the margins of the products sold	4,11	,790	,177	1,391	
We generally seek to respond to changes in competitor strategies	3,91	,900	,350	2,239	
Valid N (listwise)	100				

Source: Author's own elaboration

In the dimension External Evaluation, for the set of items for the standard deviations vary between 0.772 and 1.059 confirming the quality metrics of the scale used for this dimension.

The normality of the 8 items, according to the skewness values that range between -1.826 to 0.847 and Kurtosis with variations from 0.158 to 3.22, these values are below the recommended limit, as for the item "our goal is the satisfaction of customer needs for the product" presents a Kurtosis value of 13.291 which is well above the maximum amount referenced. For all the eight items of this dimension the value of Cronbach's alpha test of 0.781 is above the value 0.70, baseline, which shows a quite reasonable consistency of this scale.

Competitive Position

Table 9 – Statistics for Competitive position

	Average	Standard Deviation	Skewness	Kurtosis	Cronbach's alpha
We seek new business or new target markets	4,29	1,057	-,608	1,442	,809
We create new products with added value for customers	3,99	1,403	-,027	-,098	
We seek to introduce new products / services and facilities that enhance customer value, before the competition	3,96	1,601	,262	-,363	
We lead the market in pricing	2,76	1,512	1,009	,824	
We changed the processes more efficiently than the competition	3,48	1,243	,369	,986	
We respond to price changes of competition	3,53	,969	,730	1,879	
We plan responses to changes in business environment	3,67	1,111	,779	1,116	
Valid N (listwise)	100				

Source: Author's own elaboration

In the dimension Competitive positioning, it appears that none of the seven items recorded a variance in the neighborhood of 0, standard deviations vary between 0.969 and 1.601. The normality of the seven items, according to the values of skewness that present variation between -0.608 to 1.009 and Kurtosis with variations of -0.36 to 1.8790, these values are below the recommended limit. For all the seven items of this dimension the 0.809 value is located well above the reference value of 0.70, revealing a good consistency of the scale.

Market Orientation

Table 10 – Statistics for Market Orientation

	Average	Standard Deviation	Skewness	Kurtosis	Cronbach's alpha
We have meetings with clients at least annually to identify their needs	3,70	1,251	-,230	-,243	,832
We are efficient in detecting changes in customer preferences	4,17	,753	,867	3,348	
We analyze the future needs of customers	3,87	1,022	,034	,695	
We assess the quality of products / services	4,23	,897	-,388	2,477	
Interdepartmental meetings are conducted regularly to discuss market trends	4,15	1,971	,311	-1,189	
All of the company knows customer satisfaction	3,48	1,480	,879	,616	
We warn the departments on aspects of competition	3,96	1,550	,616	-,067	
The company communicates inside information to the outside	3,71	1,409	,466	,107	
We respond to intensive campaigns of our competitors	3,64	1,168	,586	,666	
We have good coordination of interdepartmental activities	4,56	1,431	,669	-,590	
We are effective and efficient on complaints handling	4,38	,789	-,161	2,798	
If we made a marketing plan, we could implement it in appropriate time	3,88	1,533	,412	-,489	
We develop products or services desired by the customer	4,42	1,007	,769	1,176	
Valid N (listwise)	100				

Source: Author's own elaboration

In dimension / criterion variable Market Orientation, it appears that none of the items notes a variance in the neighborhood of zero, standard deviations vary between 0.753 and 1.971 confirming the metric qualities of the scale used for market orientation, enabling a differentiation of results.

The normality of the 13 items, according to the values of skewness that present a variation between -0388 to 0.879 and Kurtosis from -1.189 to 3.348, below the recommended limit. For the 13 items in this dimension of the 0.832 value of Cronbach's alpha test looks good enough to validate the consistency of the scale used as a reference value described above.

Performance

Table 11 – Statistics for Performance

	Average	Standard Deviation	Skewness	Kurtosis	Cronbach's alpha
Ability to retain customers	4,34	,807	-,111	2,421	,900
Bargaining power with customers	3,53	1,123	,273	,379	
Degree of rotation of the sales	3,60	1,015	,520	1,820	
Customers' orders	3,78	,938	,232	1,875	
Number of complaints / customer returns	3,81	1,285	-,336	,811	
Bargaining power with suppliers	3,47	1,010	,444	1,711	
Market share	3,22	1,160	,668	,954	
Growth rate of sales	3,22	1,079	,435	,839	
Profitability (operating profit relative to sales)	3,20	1,110	,407	-,002	
Brand value	3,87	1,397	,599	,132	
Average collection period	2,75	1,313	,749	,331	
Average payment period	2,91	1,198	,859	,943	
Valid N (listwise)	100				

Source: Author's own elaboration

In the dimension Performance, for the set of 12 items on this scale, the standard deviations vary between 0.80 and 1.397, allowing to confirm the metric qualities of the scale used in this measure.

For the normality of the 12 items, the values of skewness ranged from -0.336 to 0.859 and Kurtosis with variations of -0.002 to 2.421, values which are below the recommended limit. For all the 12 items of dimension the 0.90 value seems enough, which shows a high internal consistency of performance in this dimension.

5.3 CONSISTENCY AND VALIDITY OF THE MEASURING MODEL

5.3.1 Exploratory Factor Analysis

In factor analysis the ideal situation corresponds to the existence of a few common factors and a small contribution of unique factors, so that there are no

problems of interpretation of the model. The rotation VARIMAX used in the analysis, although doesn't change the correlation between the observed variables, loses one of the properties of the main components, namely, the one that explains the maximum proportion of the variation of the observable variables. With rotation, the first component is no longer a linear combination of original variables, which will result in a greater variance of the data.

The study began with the application of factor analysis, testing the feasibility of applying factor analysis by testing Kaiser-Meyer-Olkin (KMO), which estimates the adequacy of the sample.

The KMO is a statistic that varies between 0 and 1, comparing the correlations between variables, allowing to gauge the quality of these correlations in order to proceed with factor analysis. Kaiser adjective KMO values are presented as follows (Pestana and Gageiro, 2005):

Table 12 – KMO test evaluation to the identified variable groups

	Number of Factors	KMO	Total Variance Explained
Leadership	3	0,760	73,574%
Marketing Strategies	3	0,772	75,902%
Organizational culture	2	0,691	56,823%
External Environment Evaluation	2	,809	58,614%
Market orientation	3	,777	61,700%
Competitive positioning	2	,775	63,580%
Organizational Performance	2	,870	64,179%

Source: Author's own elaboration

According to table the overall measure of sampling adequacy of KMO varies in the lower limit range of 0.691 for the set of items from the Organizational Culture scale for the upper limit of 0.87 for all items of the scale Organizational Performance; values greater than 0.5, the reference value, suggesting that all

variables can be used and what is considered the measure as good for the quality of those correlations which enables us to proceed with the factor analysis.

Thus the number of factors necessary to describe the data was obtained through the simultaneous conjunction of three criteria that are accepted in the literature:

- (1) Eigenvalues greater than 1;
- (2) Graphical method of variance (Scree Plot) through the points with higher slope in the graph, indicating the number of components to retain;
- (3) Method of explained variance, which must be superior to 50% to be considered satisfactory

5.3.2 Analysis of the Factors Reliability

After the extraction of the factors is required to verify their internal consistency, that can be evaluated using Cronbach's alpha. The internal consistency assumes that variables have normal distribution or at least symmetrical. The internal consistency of the factors is defined as the proportion of the variability in responses resulting from differences among respondents. The Cronbach's alpha is a measure commonly used to check the internal consistency of a group of variables (items) and it can be defined as the expected correlation between the used scale and other hypothetical scales from the same universe with an equal number items, which measure the same trait, ranging between 0 and 1.

Table 13 – Analysis of the Internal Reliability: Cronbach's Alpha (a)

DIMENSIONS	FACTORS	CRONBACH'S ALPHA (A)	INTERNAL ASSESSMENT RELIABILITY
Leadership	Power delegation	0.927	Very Good
	Decentralization and decision sharing	0.845	Good +
	Level of participation in Leadership	0.798	Good
Marketing Strategies	Capacity for Innovation	0.939	Very Good
	Ability to Create Value	0.954	Very Good
	Perceived Risk	0.612	Weak
Organizational culture	Orientation to Learning	0,805	Good
	Role of Management in Shared values	0,535	Inadmissible
External Environment Evaluation	Knowledge of structural change and cyclical Market	0.803	Good
	Attention to the Customer performance and Competition	0.599	Weak +
Competitive positioning	Advantage in the Production and Cost	0,765	Okay
	Competitive Aggressiveness	0,790	Okay
Organizational Performance	Relational and Financial Performance	0.890	Good +
	Performance Activity	0.822	Good
Market orientation	Generation and Dissemination of Information and Response to Market	0.777	Okay +
	Organizational Interpretation of the Market Information	0.782	Okay +
	Internal capacity of Information Management	0.677	Weak -

Source: Author's own elaboration

The results of the items analysis of the principal components showed a strong statistical correlation, which means that in general these items measure the same factor. In this sense, under Table 13 presents the analysis of the internal reliability of the factors of each of the scales listed in the questionnaire.

Having confirmed the validity and reliability of the unidimensional factors obtained from factor analysis came to the realization of the factor analysis so that if they kept the factors by regression method reducing in this way the number of variables.

Leadership

From the matrix analysis of saturation with varimax rotation in accordance with the criteria for Communalities KMO and greater than 0.50, no item is eliminated by keeping all scales as in the questionnaire.

Table 14 – Results of factor analysis for Leadership

	Factors		
	1	2	3
Employees have ability to make decisions without consulting his superior			,843
The work rules are defined by the employees			,824
The management, prior to making decisions, consults the employees			,781
Management motivates and cares about the welfare of employees		,860	
Management treats employees fairly		,802	
The Administration explains and listens to employees about the tasks to accomplish		,761	
Management supports teamwork		,737	
Employees are encouraged to take initiative at work		,621	
Employees from each department to disseminate information collected by the company	,926		
Employees from each department involved in gathering information about the market	,910		
Departmental managers have the capacity for initiative	,890		
Management supports the work undertaken in various departments	,880		
Eigenvalue	4.253	3.041	1,535
Variance	27,657%	26,049%	19,868%
Accumulated variance	27,657%	53,706%	73,579%
Cronbach Alpha (a) Coefficient	0.927	0.845	0.798

Source: Author's own elaboration

In principal components factor analysis (PCFA), according to the rule of retaining factors with eigenvalues greater than 1 are extracted 3 factors explaining approximately 73.579% of the total variance of the items.

The factors extracted were interpretable and allow us to identify three dimensions of leadership:

- (1) Power delegation** – has saturations between 0.926 and 0.89;
- (2) Decentralization and decision sharing** – with saturation between 0.62 and 0.86
- (3) Level of participation in Leadership:** saturation between 0.843 and 0.781

Factor 1 – Power delegation

In this study, and after relating the items to the factors, it appears that the first factor involves two items related to the task of using information and acquiring knowledge by the employees, and includes two other factors related to the initiative and support of the Management within and between departments.

Factor 2 – Decentralization and decision sharing

The concept 2 integrates all five items relating to distribution and sharing of top management, as it appears to items that have higher correlation with this concept, are items related to sharing and distribution of the management knowledge by employees of the company.

Factor 3 – Level of participation in Leadership

The concept 3 incorporates three items related to the commitment of top management with decision-making as well as factors related to compatibility between top managers and the employees of the Organization.

Marketing Strategy

From the matrix analysis of saturation with varimax rotation in accordance with the criteria for Communalities KMO and above 0.50, no item is eliminated, all scales were kept as in the questionnaire.

Table 15 – Results of factor analysis for Marketing Strategy

	Factors		
	4	5	6
Degree of differentiation of new products	,956		
Degree of success of new products	,942		
Pioneers in the performance of new products	,921		
Rate of introduction of new products	,857		
We create partnerships with the best partners in the industry, before the competition		,765	
We seek ways to create value for customers through distribution channels, sales force and advertising		,745	
We lead the market in pricing		,724	
There is almost always a way to avoid failure			,888
The risk of losing an opportunity is as important as the risk of failure			,759
Eigenvalue	3,570	2,166	1,094
Variance	39,112	20,010	16,780
Accumulated variance	39,112	59,122	75,902
Cronbach Alpha (a) Coefficient	0.939	0.954	0.612

Source: Author's own elaboration

In principal components factor analysis (PCFA), are extracted three factors with eigenvalues greater than 1 explaining about 75.902% of the total variance of the items. The factors extracted were interpretable and allow us to identify three dimensions of Strategies:

- (4) Capacity for Innovation:** presents saturations between 0.956 and 0.857;
- (5) Ability to create value,** with saturation between 0.765 and 0.724;
- (6) Perceived Risk:** saturation between 0.888 and 0.759.

Factor 4 – Capacity for innovation

This factor includes items related to the company's strategy and its approach to management innovations panorama. Given the items that comprise this factor 3 items are more comprehensive at the level of adoption of innovations by firms both in terms of following innovations by competitors, and an item that includes the level

of the pioneering firms, we appointed this factor as strategic orientation for the innovation capacity.

In Wong and Merrilees (2007) opinion, the market orientation is a philosophy and a business culture that requires operationalization through innovation, which led these authors to formulate the premise: The ability of innovation is positively correlated with market orientation.

Factor 5 – Ability to create value

This factor includes items related to the ability to create value and includes an item related to competitive advantage via price strategy. For the first two items is included organizational activities involved in acquiring information about customers and market segments in which firms operate in the study, including the activities of marketing intelligence associated with interfunctional coordination, ie, the interconnection resources coordinator organizational. Such evidence may involve strategic partnership to create superior value to customers, according Narver and Slatter (1990).

Factor 6 – Perceived Risk

This factor includes two items related to the strategy of market orientation, leading firms to seek, create a better perceived value for customers and the market as regards (Day, 2001), which therefore constitutes a better view on the perceived risk by leaders as a strategy to adapt to the changes between his approach and cyclical market.

Organizational Culture

From the matrix analysis of saturation with varimax rotation in accordance with the criteria for Communalities KMO and above 0.50, we proceeded to the elimination of two items, keeping all scales as in the questionnaire

Table 16 – Results of factor analysis for Organizational Culture

	Factors	
	7	8
The formation of an employee is an investment not an expense	,812	
Learning is a necessary key to guarantee organizational survival	,798	
The learning ability of the company is the key to the development / competitiveness	,627	
The top management has a well defined and unquestionable company vision		,798
The company's vision is across all levels – sections and departments		,734
There is a well-defined concept of who we are and where we go as a team		,555
Eigenvalue	3,264	1,281
Variance	30,727	26,096
Accumulated variance	30,727	56,823
Cronbach Alpha (a) Coefficient	0,805	0,535

Source: Author's own elaboration

In principal components factor analysis (PCFA), the eigenvalues greater than 1 leads to the extraction of two factors, explaining approximately 56.823% of the total variance of the items.

The factors extracted were interpretable and allow us to identify two dimensions of organizational culture:

(7) Orientation to Learning – shows saturations between 0.812 and 0.627;

(8) Role of Management in Shared values – with saturation between 0.798 and 0.734.

Factor 7 – Orientation to Learning

Adds to this factor the first 2 items that reflect the values and norms, in which the standards of behavior are guided into specific contexts, while values represent general orientations (O'Reilly, 1989). The other two items according Homburg and Pflesser (2000) reflect the artifacts that indicate a greater or lesser degree of market orientation.

Factor 8 – Role of Management in Shared values

This factor is composed of 4 items related to the sharing of basic values that are most likely to support a market orientation than others. Example, "openness of internal communication" organizations that share the value of openness of internal communication (Deshpandé et al., 1993:113) are more likely to be market-oriented, because market information is not retained by marketing managers but is widespread throughout the organization (Kohli and Jaworski, 1990).

We can add to these two factors in the continuity and similarity of Narver and Slater (1990) and Homburg and Pflesser (2000), which admitted that the organizational culture oriented market will have a positive impact on market performance. More specifically, we say that these two components of an organizational culture oriented have a direct impact on performance.

External environment evaluation

From the matrix analysis of saturation with varimax rotation in accordance with the criteria for Communalities KMO and greater than 0.50, no item is not removed, keeping all scales as in the questionnaire.

Table 17 – Results of factor analysis for External Environment Evaluation

	Factors	
	09	10
Our goal is to satisfy customer needs about the product		,742
We aim to satisfy customer needs, about the price		,733
We generally seek to respond to changes in competitor strategies		,698
We know the size and life cycle of the market	,810	
We care about the size and strategy of intermediaries	,804	
We know the margins of the products sold	,742	
We followed the strategies of product, pricing and distribution channel from competition	,720	
There are prospects for growth and profits in the future	,585	
Eigenvalue	3,310	1,380
Variance	35,815	22,799
Accumulated variance	35,815	58,614
Cronbach's Alpha (a) Coefficient	0.803	0.599

Source: Author's own elaboration

In principal components factor analysis (PCFA), are extracted only two factors, taking into account that eigenvalues are higher than 1, which accounts for around 58.614% of the total variance of the items.

The factors extracted were interpretable and allow us to identify two dimensions of the external evaluation:

(9) Knowledge of structural change and cyclical Market: saturation between 0.81 and 0.585.

(10) Attention to the Customer performance and Competition: shows saturations between 0.742 and 0.698;

Factor 9 – Knowledge of structural change and cyclical Market:

Adds to this factor 5 items related to structural and conjectural changes to the Market and for assessing the extent to which companies are positioned in the market through product, price and positioning itself from other competitors. For Porter (1996) the two strategies are made through market differentiation, which in

this case is represented by the focus on the product itself or the cost, offering the best possible price to the customer.

Factor 10 – Attention to the Customer performance and Competition

Adds to this factor 3 items related to attention to customer behavior and competition, with 12 items concerning the importance of intermediaries in business, 2 items associated with the customer and two items associated with the importance of competition. Such importance of these items are due on the one hand to the growing importance of markets in which customers are increasingly well informed and with access to means of increasing access to information, which requires a "watchful eye" of sensitivity to customer needs and change your preferences. Moreover, it must also know the competition, their strengths and weaknesses and find out where it can be an opportunity or a threat. Knowledge of competition power promotes more appropriate functional organizations.

Competitive Positioning

From the matrix analysis of saturation with varimax rotation in accordance with the criteria for Communalities KMO and greater than 0.50, one item was removed, keeping all scales as in the questionnaire.

Table 18 – Results of factor analysis for Competitive Positioning

	Factors	
	11	12
We create new products with added value for customers		,877
We seek to introduce new products / services and facilities that enhance customer value, before the competition		,863
We lead the market in pricing		,612
We respond to price changes of competition	,831	
We plan responses to changes in business environment	,830	
We changed the processes more efficiently than the competition	,574	
Eigenvalue	3,302	1,149
Variance	31,990	31,590
Accumulated variance	31,990	63,580
Cronbach Alpha (a) Coefficient	0,765	0,790

Source: Author's own elaboration

In principal components factor analysis (PCFA), the eigenvalues are greater than 1, from which are extracted two factors explaining approximately 63.58% of the total variance of the items.

The factors extracted were interpretable and allow us to identify two dimensions of competitive positioning:

(11) Advantage in Production and Cost: shows saturations between 0.831 and 0.83;

(12) Competitive Aggressiveness: saturation between 0.77 and 0.612.

Factor 11 – Advantage in Production and Cost

This factor is measured by only two items, the existence of the item concerning the reduction of costs to hand labor, may at first sight, cause some surprise regarding the correlation of this item with the concept. However, this item may be associated with several factors that may be a source of production advantage against competition, doesn't worth a thing being different if we don't have competitive prices and Portuguese entrepreneurs continue to see the hand labor as a variable where it is easy to reduce costs by using it as a factor of competition regardless of the advantage to differentiate in differentiation or low costs.

Factor 12 – Competitive Aggressiveness

In this factor we have grouped 3 items, the first two of which are justified according to Lambin (1997), enterprises more market oriented have a greater number of satisfied customers, so a higher approval rate with lower costs of sales. Regarding the other item, also justified by the same author is based on the premise that a market-oriented company produces more value to customers generating lower sensitivity to price. The combination of the three items justifies the competitive edge for organizations in the sample.

Organizational Performance

From the matrix analysis of saturation with varimax rotation in accordance with the criteria for Communalities KMO and greater than 0.50, remained all items and all scales as in the questionnaire.

Table 19 – Results of factor analysis for Organizational Performance

	Factors	
	13	14
Average payment period		,869
Average collection period		,811
Bargaining power with suppliers		,732
Degree of rotation of the sales		,612
Market share	,851	
Profitability (operating profit relative to sales)	,844	
Growth rate of sales	,842	
Customers' orders	,698	
Brand value	,645	
Ability to retain customers	,640	
Bargaining power with customers	,637	
Number of complaints / customer returns	,521	
Eigenvalue	6,114	1,587
Variance	38,478	25,700
Accumulated variance	38,478	64,179
Cronbach Alpha (a) Coefficient	0.890	0.822

Source: Author's own elaboration

In principal components factor analysis (PCFA), the eigenvalues greater than unity allowed the extraction of two factors explain about 70.73% of the total variance of the items.

The factors extracted were interpretable and allow us to identify two dimensions of Organizational Performance:

(13) Relational and Financial Performance: shows saturations between 0.851 and 0.521;

(14) Performance Activity: saturation between 0.869 and 0.612.

Factor 13 – Relational and Financial Performance

The items of antiquity of the company costumers, overall customer satisfaction and frequency of purchase are items that have a higher correlation with the factor under consideration. These items presented here will demonstrate the extent to which business customers are satisfied and are true in view of the frequency of purchases to firms in the analysis. Thus, this factor was designated for performance of customer loyalty.

Factor 14 – Performance Activity

The three items that constitute the factor 14, allow us to assess the growth of sales by value of purchases of customers and market share of companies. This factor represents a dimension associated with the effectiveness of marketing strategy in response to the market.

In order to categorize this factor the economic performance may reflect those three items. Thus, we chose to designate this factor by “economic performance”. The economic performance in the sense of market orientation should be present in the evaluation of the life cycle of products and its turnover in stocks, so as to be suitable for development and growth of business of the organization. It should not be the waning importance of the life cycle of products to suit the decisions or the level of new investments in technologies or the promotion and dissemination to clients to promote their own business.

Market Orientation

From the matrix analysis of saturation with varimax rotation in accordance with the criteria for Communalities KMO and greater than 0.50, no item was removed, keeping all scales as in the questionnaire.

Table 20 – Results of factor analysis for Market Orientation

	Factors		
	15	16	17
We develop products or services desired by the customer	,739		
If we made a marketing plan, we could implement it in appropriate time	,694		
We respond to intensive campaigns of our competitors	,671		
We analyze the future needs of customers	,667		
We assess the quality of products / services	,648		
We are effective and efficient on complaints handling	,588		
We are efficient in detecting changes in customer preferences	,577		
We have meetings with clients at least annually to identify their needs		,762	
All of the company knows customer satisfaction		,745	
The company communicates inside information to the outside		,730	
Interdepartmental meetings are conducted regularly to discuss market trends			,797
We have good coordination of interdepartmental activities			,758
We warn the departments on aspects of competition			,680
Eigenvalue	5,022	1,667	1,331
Variance	25,922	20,835	14,943
Accumulated variance	25,922	46,757	61,700
Cronbach Alpha (a) Coefficient	0.777	0.782	0.677

Source: Author's own elaboration

In principal components factor analysis (PCFA), the eigenvalues above 1 have allowed to extract 3 factors that together explain about 677% of the total variance of the items.

The factors extracted were interpretable and allow us to identify three dimensions of Strategies

(15) Generation and Dissemination of Information and Response to Market: Show saturations between 0.739 and 0.577;

(16) Organizational Interpretation of the Market Information: saturation between 0.76 and 0.73;

(17) Internal Capacity of Information Management, with saturation between 0.797 and 0.68.

Factor 15 – I Generation and Dissemination of Information and Response to Market

In this factor it appears that the seven items that have stronger correlations with the factor that is discussed here, are two items, which are patent issues, surrounding the information, how information is generated and how is the dissemination of information. Thus, given the items comprising this factor, we chose to designate this factor as “generation and dissemination of information”.

Factor 16 – Organizational Interpretation of the Market Information

This factor 16 only includes three items with three items correlations have to do with how the information circulating on the company is discussed, interpreted and to what extent the organizational information is affected by changes in the organization. Characterizing these two items is to admit that the factor analysis is a factor taking into account the importance of a shared interpretation of information and how innovations are communicated. Thus, this factor was designated for “Interpretation of organizational information”.

Factor 17 – Internal Capacity of Information Management

For this factor are considered as three items grouped as translators in the internal capabilities of information management, which according to Slatter and Narver (1994), being market orientation in the opinion of these authors as the dissemination of the market composed by the current and future customer needs. Therefore, it is necessary that different areas of the organization should share information so that the market orientation is promoted by internal capacity and each person who participates in the organization but also by their own groups and departments to contribute positively to a superior organizational performance.

CHAPTER 6 – REGRESSIONS

6.1. INTRODUCTION

This chapter aims to test the research hypotheses and discussion of results. First results will be discussed in light of the theory, following the sequence used for the presentation of the research hypotheses.

In this sense, it is discussed the impact of factors to market orientation, including its determinants: The leadership; The adaptive strategies; The Organizational culture and The evaluation of the environment.

Then we'll study the impact of market orientation on competitive positioning. Finally, it is determined the impact of market orientation on organizational performance.

6.2. CORRELATIONAL ANALYSIS

We intend, with this preliminary analysis, to identify statistically significant associations, in order to abandon in the models estimation, the relationships among the variables that we know from the beginning, with the analysis of *Pearson* correlations, that do not exist.

Given the literature review, it is expected that there is correlation between the dimensions that measure the same latent variable. If this correlation is high, may have consequences for the model fitting, because the regression coefficients have large standard deviations (in relation to their own coefficients), which means that the coefficients are not estimated with great precision. Thus, prior to multivariate analysis, one must assess whether there multicollinearity between the explanatory variables, using the correlation matrix that is presented in Table 21.

In this matrix is shown the *Pearson* correlation coefficients between the variables whose values vary between -1 and 1.

The results of the *Pearson* correlations are very weak, taking into account the expectations created from the literature review, however, we decided to proceed

with the research interpreting the results and trying to find justification for them.

From the correlations found, called us the attention to the fact that the correlations between variables are weak with the assumption at the outset that there is no multicollinearity between variables.

Despite the results, there are correlations between the factors found at significance levels of 0.01 and 0.05 respectively.

Considering the results in table 21 it appears that **Leadership (Power delegation)**, is associated with the **Market Orientation (Information, Generation and Dissemination of Information and Response to Market; Internal Capacities of information management)**, with correlation coefficients of -0.251 and 0.675 respectively. Moreover **Leadership (Decentralization and Decision)** is related to **Organizational Culture** with a correlation coefficient of 0.204 with **Orientation to learning** and 0.324 with **Role of Management in value sharing**. These facts imply that the **Leadership** and **Organizational Culture** may come as a result of **Market Orientation** for **capacity for Innovation** in SMEs Portuguese cork industry, these companies may require a higher **Level of participation in Leadership** and **Learning Orientation** to achieve the strategic objectives of **Market Orientation**. Moreover the relationship between the **Internal Capacities of Information Management** and **Market Orientation** implies that there is a greater **Role of Management in value sharing** which may lead to higher levels of **Market Orientation**.

According to the table which presents the correlations (Table 21), **Market Strategy (Ability to create value)** also shows relationship with **Market Orientation**. Given this fact is to admit that being the cork companies oriented for a culture of creating and sustaining value, need more and better relationship for the market based on the capabilities of dissemination and management of various types and sources of information.

The **Organizational Culture**, by its dimensions (**Orientation to Learning** and **Role of Management in value sharing**) presents significant statistical relationship between **Leadership (Decentralization and Decision and Level of participation in Leadership)**, yet the relationship of **Orientation to Learning** appears to be significant with **Generation and Dissemination of Information and**

Response to Market; and on the other hand, **Role of Management in value sharing** appears to be significant with **Internal Management Capacities of information**. If, on one hand, the **Organizational Culture** is associated with the level of **Decentralization and Level of participation in Leadership**, these SME companies of the Portuguese cork sector this ratio is considered a non superior level the **Market Orientation**. On the other hand, higher levels of **Market Orientation**, involve the adoption of **Market Strategy** and **External Environment** who will be associated with the level of business **Leadership**. According to Table 21, the **External Environmental** beyond the relationship we have with a **market Orientation** has also correlated with a lower level of **Leadership** that identifies the **Market Orientation** as a means of communication to raise levels of orientation and organizational learning.

According to the results of correlational analysis, the level of adoption of Market Orientation in SMEs Cork in Portugal may have multiple interpretations within business performance and competitive positioning.

With respect to Competitive Positioning, assumes a relationship somehow with **Market Orientation**, including the correlation of the **Generation and Dissemination of Information and Response to Market** and with the **Advantage in Production and Cost**, and the correlation with the **Competitive Aggressiveness**.

From the associations between factors found in the correlation analysis, in accordance with Table 21, different levels of adoption of **Market Orientation** can lead to different corporate performances. The **Market Orientation** as a means of the **Generation and Dissemination of Information and Response to Market** and will be more interconnected to **Relational and Financial Performance and Performance Activity**, on the other hand the level of **Interpretation of the Organizational Market Information** is more associated to **Relational and Financial Performance** no longer prove any significant association significant at levels 1 and 5% of **Market Orientation** at the level of **Internal Capabilities of information Management** with **Competitive Positioning and Organizational Performance**.

**Table 21 -
Pearson
Correlation**

	Factors	1	2	3	4	5	6	7	8	9	10	15	16	17	11	12	13	14
Leadership	1. Power delegation	1	,000	,000	,100	-,084	,164	-,122	,317 ^{**}	,095	-,055	-,251 [*]	,188	,675 ^{**}	-,131	-,018	-,009	-,203 [*]
	2. Decentralization and decision	,000	1	,000	-,001	,138	,089	,204 [*]	,324 ^{**}	,111	,188	,228 [*]	,077	,085	,007	,076	,114	-,068
Marketing Strategy	3. Level of participation in Leadership	,000	,000	1	-,328 ^{**}	,101	,170	,335 ^{**}	,030	-,066	,261 ^{**}	,102	-,005	-,025	,286 ^{**}	-,112	,143	-,029
	4. Capacity for Innovation	,100	-,001	-,328 ^{**}	1	,000	,000	-,102	,212 [*]	-,131	-,329 ^{**}	-,059	-,080	,207 [*]	-,092	,108	,016	,168
Organizational Culture	5. Ability to create value	-,084	,138	,101	,000	1	,000	,374 ^{**}	,137	,440 ^{**}	,407 ^{**}	,663 ^{**}	,270 ^{**}	,064	,603 ^{**}	,519 ^{**}	,511 ^{**}	,404 ^{**}
	6. Perceived Risk	,164	,089	,170	,000	,000	1	,369 ^{**}	,289 ^{**}	,065	,310 ^{**}	,155	,028	,147	,034	,224 [*]	,408 ^{**}	-,100
External Environment	7. Orientation to Learning	-,122	,204 [*]	,335 ^{**}	-,102	,374 ^{**}	,369 ^{**}	1	,000	,036	,301 ^{**}	,428 ^{**}	,165	-,012	,370 ^{**}	,218 [*]	,443 ^{**}	,078
	8. Role of Management in value sharing	,317 ^{**}	,324 ^{**}	,030	,212 [*]	,137	,289 ^{**}	,000	1	,047	,155	,119	,130	,311 ^{**}	,149	,168	,319 ^{**}	-,138
Market Orientation	10. Knowledge of structural and conjuctural Market	,095	,111	-,066	-,131	,440 ^{**}	,065	,036	,047	1	,000	,287 ^{**}	,442 ^{**}	,051	,255 [*]	,275 ^{**}	,258 ^{**}	,096
	9. Attention to the Customer Care and Competition	-,055	,188	,261 ^{**}	-,329 ^{**}	,407 ^{**}	,310 ^{**}	,301 ^{**}	,155	,000	1	,523 ^{**}	,014	,027	,292 ^{**}	,269 ^{**}	,331 ^{**}	,142
Competitive Positioning	15. Generation and Dissemination of Information and Response to Market	-,251 [*]	,228 [*]	,102	-,059	,663 ^{**}	,155	,428 ^{**}	,119	,287 ^{**}	,523 ^{**}	1	,000	,000	,599 ^{**}	,384 ^{**}	,511 ^{**}	,485 ^{**}
	16. Interpretation of the Organizational Market Information	,188	,077	-,005	-,080	,270 ^{**}	,028	,165	,130	,442 ^{**}	,014	,000	1	,000	,275 ^{**}	,082	,252 [*]	-,073
Organizational Performance	17. Internal Capabilities of Information Management	,675 ^{**}	,085	-,025	,207 [*]	,064	,147	-,012	,311 ^{**}	,051	,027	,000	,000	1	-,016	,094	,045	,001
	11. Advantage in Production and Cost	-,131	,007	,286 ^{**}	-,092	,603 ^{**}	,034	,370 ^{**}	,149	,255 [*]	,292 ^{**}	,599 ^{**}	,275 ^{**}	-,016	1	,000	,432 ^{**}	,375 ^{**}
	12. Competitive Aggressiveness	-,018	,076	-,112	,108	,519 ^{**}	,224 [*]	,218 [*]	,168	,275 ^{**}	,269 ^{**}	,384 ^{**}	,082	,094	,000	1	,466 ^{**}	,185
	13. Relational and Financial Performance	-,009	,114	,143	,016	,511 ^{**}	,408 ^{**}	,443 ^{**}	,319 ^{**}	,258 ^{**}	,331 ^{**}	,511 ^{**}	,252 [*]	,045	,432 ^{**}	,466 ^{**}	1	,000
	14 Performance Activity	-,203 [*]	-,068	-,029	,168	,404 ^{**}	-,100	,078	-,138	,096	,142	,485 ^{**}	-,073	,001	,375 ^{**}	,185	,000	1

******. Correlation is significant at the 0.01 level (2-tailed). *****. Correlation is significant at the 0.05 level (2-tailed). Source: Author's own elaboration

6.3. HYPOTHESES TEST

In this part of the investigation, we present the results of multivariate analysis for the hypotheses testing defined in Section 3, using the multiple linear regression model. To be able to proceed with the study by the method of multiple linear regression, one assumes the absence of multicollinearity by the fact that this phenomenon may significantly affect the coefficients of the regression equation.

This type of analysis provides a more rigorous test of the effects of an independent variable on a dependent variable when compared with the correlational analysis. Such a situation is based on the fact that an independent explanatory variable considered not significant by itself, becoming significant by the other variables side. Thus, multivariate analysis allows us to identify a more complete explanation of the behavior of the variable explained.

The regression models are often used to analyze the relationship between a dependent variable and a set of independent variables. For this reason, we used multiple linear regression model to perform multivariate analysis. Overall, the model can be expressed as follows:

$$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots + \beta_k X_k + e_i$$

Where

$i = 1, 2, \dots, n$

Y = dependent or response variable

X = Dependent or predictor variable

β_0 = constant

e_i = residual random variable describing the effects of Y_i not explained by the dependent variables

Note that estimating the linear regression model, we used the stepwise procedure, in which the variable entering the model is that one among the remaining independent variables not included in the model, has the most significant partial correlation coefficient and therefore contributes to the most significant increase in the sum of the regressions squares.

A) Market Orientation Antecedents

Given the research hypotheses under study, first we applied the multiple linear regression model in order to test the research hypotheses suggest that the determinants of levels of adoption of market orientation.

So below are presented the results obtained with multiple linear regression model, in order to test the hypotheses:

H1 The **leadership** is positively related to **market orientation**

H2 The **adaptive strategies** are positively related to **market orientation**

H3 Organizational culture is positively related to **market orientation**

H4 The **evaluation of the environment** is positively related to **market orientation**

Antecedents of Market Orientation at the Generation and Dissemination of Information and Response to Market level

Table 22 presents the results of multiple linear regression model for investigating the factors that help explain the market orientation *at the Generation and Dissemination of Information and Response to Market level*.

Table 22 – Explanatory Factors of Market Orientation at the Generation and Dissemination of Information and Response to Market

	Coefficient β	Statistic t	P Value
Power delegation	-,216	-2,930	,004
Decentralization and decision sharing	,052	,693	,490
Level of participation in Leadership	-,044	-,567	,572
Capacity for Innovation	,079	,949	,345
Ability to Create Value	,387	3,816	,000
Perceived Risk	,013	,154	,878
Orientation to Learning	,163	1,826	,071
Role of Management in Shared values	,042	,510	,611
Knowledge of structural change and cyclical Market	,130	1,512	,134
Attention to the Customer performance and Competition	,321	3,471	,001
Model Total	$R^2 = 0,595$	$df = 10$	$F = 13,097^*$
	$(p^* < 0,05)$	$(p^{**} < 0,01)$	$(p^{***} < 0,1)$

Source: Author's own elaboration

Regarding the quality of the goodness of the adjustment regression model tested for the adoption of Market Orientation at the Generation and Dissemination of Information and Response to Market, has a coefficient of determination indicates that about 60% of the dependent variable variation level of Generation and Dissemination of Information and Response to Market, around its average is due to the presence of n variables included regression, which shows a reasonable adjustment on the one hand, the F test has an associated p-value at usual significance levels ($p < 0.01$), which leads us to reject the null hypothesis that the coefficients of the parameters of the independent variables are zero and this shows that linear regression is valid globally.

With regard to tests of individual significance to the parameters associated with each independent variable, given the statistical evidence at the table, specifically for the statistics of t tests for variables: the **Power delegation Ability to Create Value, Customer Attention to the performance level and Competition** with usual significance of 1, 5 and 10% are statistically significant explaining the Market Orientation; **Orientation to Learning** reveals statistical significance for significance levels of 10%. The remaining variables in the model have a significance level greater than 0.1, it is concluded that none of these variables have explanatory power of the variance of Market Orientation and therefore should be excluded from the model.

Antecedents of Market Orientation-level Interpretation of the Organizational Market Information

Table 23 shows the results of multiple linear regression model for investigating the factors that explain the level of Organizational Interpretation of the Market Information.

Table 23 –Explanatory Factors of Market Orientation at Interpretation of the Organizational Market Information level

	Coefficient β	Statistic t	P Value
Power delegation	,083	,835	,406
Decentralization and decision sharing	-,021	-,212	,832
Level of participation in Leadership	-,077	-,773	,441
Capacity for Innovation	-,056	-,516	,607
Ability to Create Value	,189	1,332	,186
Perceived Risk	-,113	-1,017	,312
Orientation to Learning	,299	2,547	,013
Role of Management in Shared values	,145	1,351	,180
Knowledge of structural change and cyclical Market	,441	3,927	,000
Attention to the Customer performance and Competition	,073	,570	,570
Generation and Dissemination of Information and Response to Market	-,387	-2,823	,006
Model Total	$R^2 = ,331$	$df = 11$	$F = 3,954^*$
	($p^* < 0,05$)	($p^{**} < 0,01$)	($p^{***} < 0,1$)

Source: Author's own elaboration

The above results transcript from SPSS for the table, reveal that as the quality of the goodness of the adjustment to the regression model tested for the adoption of Market Orientation at the level of ***Organizational Interpretation of the Market Information***, has a coefficient of determination indicating that about 33% of the variation in the dependent variable level of ***Organizational Interpretation of the Market Information***, around its average is due to the presence of the variables included in this regression, which shows a poor quality of adjustment on the one hand, the F test has an associated usual significance level ($p < 0.05$), leads to a rejection of the null hypothesis that the coefficients of the parameters of the independent variables are zero and this shows that linear regression is valid globally. With regard to tests of individual significance, the variables:

Knowledge of Structural change and cyclical Market and ***Generation and Dissemination of Information and Response to Market*** are at the usual significance level of 1, 5 and 10% statistically significant in explaining the Market

Orientation at **Organizational Interpretation of the Market Information level**, in turn **Orientation to Learning** shows statistical significance only for significance levels of 5 and 10%. The remaining variables in the model have a significance level greater than 0.1, it is concluded that none of these variables have explanatory power of the variance of Market Orientation at the level of Organizational Interpretation of the Market Information.

Antecedents of Market Orientation at Internal capacity of Information Management level

Table 24 presents the results of multiple linear regression model for investigating the factors that help explain the level of Internal capacity of Information Management

Table 24 – Explanatory Factors of Market Orientation at the level of Internal capacity of Information Management

	Coefficient β	Statistic t	P Value
Power delegation	,720	8,523	,000
Decentralization and decision sharing	,039	,474	,637
Level of participation in Leadership	-,021	-,244	,808
Capacity for Innovation	,117	1,288	,201
Ability to Create Value	,064	,532	,596
Perceived Risk	-,015	-,156	,876
Orientation to Learning	,044	,431	,668
Role of Management in Shared values	,048	,522	,603
Knowledge of structural change and cyclical Market	-,001	-,010	,992
Attention to the Customer performance and Competition	,004	,040	,968
Generation and Dissemination of Information and Response to Market	,114	,944	,348
Organizational Interpretation of the Market Information	-,159	-1,768	,081
Model Total	$R^2 = ,530$	$df = 12$	$F = 8,191^*$
	($p^* < 0,05$)	($p^{**} < 0,01$)	($p^{***} < 0,1$)

Source: Author's own elaboration

The above results reveal that the quality of the goodness of the adjustment to the regression model tested a coefficient of determination indicates that about 53% of the variation in the dependent variable level of the ***Internal capacity of Information Management*** in making its average is due to presence of the variables included in this regression, which shows a reasonable quality of adjustment, on one hand, the F test has an associated level of usual significance ($p < 0.01$), leads to a rejection of the null hypothesis that the coefficients of the parameters of the independent variables are zero and this shows that linear regression is valid globally. With regard to tests of individual significance, the variable ***power delegation*** is the only that reveals statistical significance at usual significance levels of 1, 5 and 10%, around the variable ***Organizational Interpretation of the Market Information*** revealed statistical significance only for significance levels of 10% to explain the Internal Market Orientation at the ***capacity of Information Management*** level. The remaining variables in the model have a significance level greater than 0.1, it is concluded that none of these variables have explanatory power of the variance of Market Orientation at the level of Internal capacity of Information Management.

B) The Influence of Market Orientation on the Competitive Advantage through Positioning in the Production and Cost

Given the research hypotheses for the Market Orientation consequents and in order to test the implicit research hypotheses, multiple regressions were carried out that can support and validate these following hypothesis: H5 Market orientation Positively Affects the competitive positioning; H6 Market orientation Positively Affects organizational performance.

Below are presented in table 25 the results obtained with multiple linear regression model in order to test: The influence of Market Orientation on the Competitive Positioning through Advantage in the Production and Cost.

Table 25 –The Influence of Market Orientation on the Competitive Advantage through Positioning in the Production and Cost

	Coefficient β	Statistic t	P Value
Generation and Dissemination of Information and Response to Market	,481	4,982	,000
Organizational Interpretation of the Market Information	,247	3,498	,001
Internal capacity of Information Management	,006	,095	,924
Competitive Aggressiveness	-,391	-4,972	,000
Relational and Financial Performance	,307	3,312	,001
Performance Activity	,232	2,818	,006
Model Total	$R^2 = ,576$	$df = 6$	$F = 21,024^*$
	($p^* < 0,05$)	($p^{**} < 0,01$)	($p^{***} < 0,1$)

Source: Author's own elaboration

From the table above, it appears that 57.6% of Competitive Advantage through Positioning in the Production and Cost per Market Orientation is explained ($R^2 = 0.576$). The F test has associated a reduced level of significance ($p < 0.05$), which leads to rejection of the null hypothesis that the coefficients of the parameters of the independent variables are zero and this shows that linear regression is valid globally.

T tests for all variables have a significance level higher than usual levels of significance of 1, 5 and 10%, which is confirmed by the value of p-values lower than those usual significance levels, allowing the conclusion that the variables: **Generation and Dissemination of Information and Response to Market, Organizational Interpretation of the Market Information, Competitive Aggressiveness and Performance Activity**, individually have explanatory power in **Competitive Advantage through Positioning in the Production and Cost**, with the exception only of the variable capacity of **Internal Information Management**, which is not statistically significant given the statistical evidence available for any level of significance of 1, 5 and 10%.

C) The Influence of Market Orientation on the Competitive Positioning through Competitive Aggressiveness

On the table 26 presents the results obtained with multiple linear regression model in order to test: ***The influence of Market Orientation on the Competitive Positioning through Competitive Aggressiveness***

Table 26 –The Influence of Market Orientation on Positioning through on the Competitive Aggressiveness

	Coefficient β	Statistic t	P Value
Generation and Dissemination of Information and Response to Market	,348	2,855	,005
Organizational Interpretation of the Market Information	,124	1,419	,159
Internal capacity of Information Management	,063	,792	,431
Advantage in the Production and Cost	-,537	-4,972	,000
Relational and Financial Performance	,486	4,722	,000
Performance Activity	,226	2,315	,023
Model Total	$R^2 = ,418$	$df = 6$	$F = 11,139^*$
	($p^* < 0,05$)	($p^{**} < 0,01$)	($p^{***} < 0,1$)

Source: Author's own elaboration

From the table above, it appears that 41.8% of ***Positioning through the Competitive Aggressiveness*** is explained by the Market Orientation ($R^2 = 0.418$). The F test is associated with a reduced level of significance ($p < 0.05$), which leads to rejection of the null hypothesis that the coefficients of the parameters of the independent variables are zero and this shows that linear regression is valid globally.

T tests for variables ***Generation and Dissemination of Information and Response to Market***, ***Advantage in the Production and Cost*** and ***Relational and Financial Performance*** are the three statistically significant for the usual levels of 1, 5 and 10% of significance. ***Performance Activity*** presents the significance level of 5 and 10% to explain individually the variation of the ***Competitive Positioning through Competitive Aggressiveness***.

The remaining two variables: ***Organizational Interpretation of the Internal Market Information*** and ***capacity of Information Management*** does not reveal the explanatory power through ***Positioning Competitive Aggressiveness***.

D) The Influence of Market Orientation on Organizational Performance through the Relational and Financial Performance

The table 27 presents the results obtained with the linear regression model in order to test: ***The influence of Market Orientation on the Organizational performance through Relational and Financial Performance***

Table 27 –The Influence of Market Orientation on the performance through the Organizational Relational and Financial Performance

	Coefficient β	Statistic t	P Value
Generation and Dissemination of Information and Response to Market	,322	2,922	,004
Organizational Interpretation of the Market Information	,099	1,250	,214
Internal capacity of Information Management	,014	,195	,846
Advantage in the Production and Cost	,344	3,312	,001
Competitive Aggressiveness	,398	4,722	,000
Performance Activity	-,351	-4,214	,000
Model Total	$R^2 = ,524$	$df = 6$	$F = 17,048^*$
	($p^* < 0,05$)	($p^{**} < 0,01$)	($p^{***} < 0,1$)

Source: Author's own elaboration

The above results reveal that the quality of the goodness of the adjustment to the regression model tested a coefficient of determination indicates that about 52% of the variation in the dependent variable the Organizational Performance through Relational and Financial Performance in its the average is due the presence of the variables included in this regression, which shows a reasonable quality of adjustment, on one hand, the F test has an associated usual level of significance ($p < 0.01$), leads to

a rejection of the null hypothesis that the coefficients of parameters of the independent variables are zero and this shows that linear regression is valid globally.

With regard to tests of individual significance, the variables: ***Generation and Dissemination of Information and Response to Market Advantage in the Production and Cost, Competitive Aggressiveness and Performance Activity*** reveal statistical significance at the usual significance of 1, 5 and 10%. The variables: ***Organizational Interpretation of the Internal Market Information and Capacity of Information Management*** are not statistically significant in explaining the ***Organizational performance*** through ***Relational and Financial Performance***

E) The Influence of Market Orientation on Organizational Performance through the Performance Activity

In the table 28 presents the results obtained with multiple linear regression model in order to test: ***The influence of Market Orientation on the Organizational performance through Performance Activity.***

Table 28 –The Influence of Market Orientation on Organizational Performance through the Performance Activity.

	Coefficient β	Statistic t	P Value
Generation and Dissemination of Information and Response to Market	,422	3,416	,001
Organizational Interpretation of the Market Information	-,071	-,786	,434
Internal capacity of Information Management	,005	,061	,952
Advantage in the Production and Cost	,339	2,818	,006
Competitive Aggressiveness	,241	2,315	,023
Relational and Financial Performance	-,456	-4,214	,000
Model Total	$R^2 = ,381$	$df = 6$	$F = 9,552^*$
	($p^* < 0,05$)	($p^{**} < 0,01$)	($p^{***} < 0,1$)

Source: Author's own elaboration

From the above table, it appears that 38.1% of the **Organizational Performance** through **Performance Activity** is explained by the variables included in multiple regression ($R^2 = 0.381$). The F test is associated with a reduced level of significance ($p < 0.05$), which leads to rejection of the null hypothesis that the coefficients of the parameters of the independent variables are zero and this shows that linear regression is valid globally.

With regard to the tests of individual significance, the variables: **Generation and Dissemination of Information and Response to Market, Advantage in the Production and Cost, Relational and Financial Performance** show statistical significance at the usual significance level of 1, 5 and 10%. In its turn the variable **Competitive Aggressiveness** is significant at 5 and 10% to explain the **Organizational performance** through **Performance Activity**.

For the variables: **Organizational Interpretation of the Market Information** and **Internal capacity of Information Management** are not statistically significant in explaining the performance through Organizational Performance Activity.

6.4 RESULTS DISCUSSION

The purpose of this study is to identify in the first instance, what factors explain the Market Orientation. In the second instance, it was examined how the of **Market Orientation** levels affect **Competitive Positioning and Business Performance**. Thus, we proceed to the discussion of the results obtained previously.

6.4.1 Explaining factors of the determinants of Market Orientation levels

The level of market orientation of the surveyed SMEs that they adopt is the basis for adoption of a number of factors leading to market orientation such as: Level of **Generation and Dissemination of Information and Response to Market, level of Organizational Interpretation of the Market Information** and the **Level of Internal capacity of Information Management**, Slater and Narver (1994:46).

According to the results, taking into account the correlations (Table 22) and the results of the tested multiple linear regression models is to admit some relations of the tested factors with the different levels of Market Orientation.

The impact of the Level of **Generation and Dissemination of Information and Response to Market** and **Market Response** to the **Market Orientation** can be evaluated by the use of **Power delegation, Ability to Create Value, Attention to the Customer Performance** and **Orientation to Learning**, according to Voola et al. (2003), that suggests that internal marketing influences market orientation, as the product received is a human performance, with the employees playing a critical role in this performance. Consequently, employees need to be satisfied and motivated in order to exhibit those attitudes and behavior that are conducive for market orientation; Desphandé et al. (1993):

New theory of strategic management forces education and innovation. Market orientation is based on conception of learning organization and innovation process as well as. Market orientation is constituted on base of strategic management. For that reason, strategic thinking can introduce one of the most important barriers of implementation market orientation.

Deficiencies in the strategic thinking enforce short-term horizon, enforce current profit and forget about future challenges. Managers of hi-tech firms determine vision and goals and they monitor reaching of these goals. Managers of hi-tech firms prefer education of employee and herself education and innovation process. Hi-tech firms stress internal environment and customers; (Tomášková and Kopfov, 2010).

In the obtained results of the correlation matrix there were no correlations between **Leadership, Organizational Culture** and **Generation, Dissemination and Response and the Market**, in the estimated regression for the dependent variable **Generation and Dissemination of Information and Response to Market** the factors and **Decentralization and decision; Level of participation in Leadership; Capacity for innovation, Perceived Risk**, Role of Management in value sharing and Knowledge of structural and conjectural Market at usual level of significance are not statistically significant, which leads us to conclude that the hypotheses are partially corroborate to these four admitted relations, ie, to explain

the ***Generation and Dissemination of Information and Response to Market***, a possible justification for the results not being significant, may be due to the sample companies are geographically restricted to an environment, which may lead companies to compete the same way and with similar strategies of Market Orientation and different managerial mindset coming in from the top, to the extent that respondents were either the founders of the organization or had family ties with those same founders.

Thus, companies from the cork sector in which there is a significant distinction in all factors in ***Leadership, Market Strategy*** to support the Market Orientation at ***Organizational Interpretation of the Market Information level***, and also a clear relationship between these factors and the level of ***Market Orientation - Internal Capacities of Information Management*** has a compromised scientific evidence.

In contrast to current conceptualizations, the authors Gebhardt et al. (2006) find that creating a market orientation requires dramatic changes to an organization's culture and the creation of organizationally shared market understandings. The findings offer new insights into how organizations develop a greater market orientation, organizational change, and the nature of market orientation, including the role of intra-organizational power and organizational learning in creating and sustaining a market orientation.

On the other hand is not directly confirmed that these research hypotheses, the evidence that the adoption of Market Orientation has as background factors: ***Market Strategy*** may be due to the cork companies from the studied region have defensive Market Orientation strategies, ie the at technological strategies level, companies first analyze the innovations created by others, learn and then adopt these technologies. Firms with this type of Strategy are the most Conservative in the innovations adoption.

The organizational factors of the ***Organizational Culture*** were tested in this study as determinants factors for the adoption of ***Market Orientation*** at the level of ***Generation and Dissemination of Information and Response to Market*** and ***level of Market Orientation*** at ***Organizational Interpretation of the Market Information***; the results show correlations from ***Orientation to learning*** at these levels of ***Market Orientation***. The relationship between the organizational feedback

of information and level of **Market Orientation** is not verified when applied in this multiple regression models possibly because the correlation is weak although significant and because the sample is too small.

The study also identified shortcomings and aimed to propose suggestions for assessment methods employed by Menon et al. (1999), regarding components of the marketing strategy-making process. It was proved that marketing strategy-making process provides the link between market-oriented culture and real implementations of marketing strategy, and that its influence upon firm performance rises with the increase in environmental turbulence.

It was found that market-oriented culture does not only affect firm performance directly, but does so indirectly by affecting the marketing strategy making process.

Results demonstrated by where that components of market-oriented culture can be interpreted by a step-wise linear association model, and using this model the previous conclusion that market-oriented activities have a significant influence on firm performance was reaffirmed, (Lee et al., 2006)

In our study, and for this sample, the association of **Generation and Dissemination of Information and Response to Market** and the **Organizational Interpretation of the Market Information** may be due to the items in the **Generation, Generation and Dissemination of Information and Response to Market** and has many similarities with the items in the **Organizational Interpretation of the Market Information** which may imply that entrepreneurs to look at dissemination as a culture inherent to the company that will promote the sharing of **Leadership** and only this one will be decisive in the adoption of **Market Orientation**.

So, we say that the adoption of Market Orientation, is to admit that and innovation level were found to influence significantly Generation, Dissemination and Response and the Market. We also suggest, marketing strategy and innovation can influence Market Orientation and it is Market orientation that offers extra benefits in terms of partly closing the strategy–Culture Organizational performance gap.

We hope that in the future, structural equation modeling and increasing the sample size, is to admit that the four research hypotheses H1, H2, H3 and H4 would be supported.

However, only the integration of these factors: ***Ability to create value*** and Orientation to Learning are able to explain the variations ***Competitive Positioning*** based in ***Advantage in Production and Cost***.

6.4.2 Impact of Market Orientation on Competitive Positioning.

Market Strategy and ***External Environmental*** contribute to create or sustain Competitive Positioning based in ***Advantage in Production and Cost***. However, just the integration of these factors: ***Ability to create value*** and ***Orientation to Learning*** are able to explain the ***Competitive Advantage*** through ***Positioning based in Production and Cost*** variations.

Thus, the relations found by the Pearson correlations in Table 6.1. And the results of multiple regression, could allow to claim that the ***Advantage in Production and Cost*** requires a prior will and willingness of the ***Generation and Dissemination of Information and Response to Market*** and the ***Organizational Interpretation of the Market Information*** in taking such a strategy towards the adoption of ***Market Orientation***. According to the findings of this study, after applying the multiple linear regression model, it is assumed that only ***Generation and Dissemination of Information and Response to Market*** has an impact on ***Competitive Positioning*** based in ***Advantage in Production and Cost***.

This result may be due to some particular circumstances of this study, namely the issue of the sample consisting mainly from firms with SMEs rating and the limited geographical nature of the Aveiro district in more than 90%, which may indicate that firms with nearby locations may have similar strategies in the adoption of Market Orientation concerns. Moreover, it seems that for firms in the cork industry in this sample, its differentiating source towards other competitors may be due to the fact that the level of Market Orientation still not being very well a developed practice,

which may be demonstrated by low levels of *internal capacities of information management* that companies in the study reported.

Despite the adoption of Market Orientation companies could be seen as competitive factors, these are only if they constitute a source of *Ability to Create value* that will result in a superior competitive advantage.

Therefore, and taking into account that Market Orientation is not yet very adopted by enterprises of the sample, *Generation and Dissemination of Information and Response to Market* and *Interpretation of the Organizational Market Information* can be seen as *Advantage in Production and Cost*, and *Competitive Aggressiveness*. This may allow the companies that use these levels of Market Orientation to achieve greater competitive advantage.

Thus, the research hypothesis H5, that the levels of *Market orientation* positively affect the *Competitive Positioning* Through *Advantage in Production and Cost* seems to be only partially supported, ie H5a) *Generation and Dissemination of Information and Response to Market* positively influences *Competitive Positioning* based in *Advantage Production and Cost* is corroborated;

H5b) *Interpretation of the Organizational Market Information* positively influences *Competitive Positioning* based in *Advantage in Production and Cost* is corroborated, and even H5c) *Internal capabilities of Information Management* has a positive influence over Competitive Positioning based in *Advantage in Production and Cost* is not corroborated.

The study presented here also shows that the adoption of Market Orientation only interferes solely on corporate competitive advantage through *Competitive Aggressiveness*, by the statistical significance of the *Generation and Dissemination of Information and Response to Market*. However, there is significance in *Competitive aggressiveness* by the interference of *Organizational performance* at *Relational and Financial Performance* and *Performance Activity* level.

It should be borne in mind that the high effectiveness of some activities may not be used optimally to other activities if it not respond effectively, even though

these activities, support and Market Strategy support activities and that indirectly can influence **the Market Orientation**.

The study hypothesis (H5) in which it was intended to test whether the level of **Market Orientation** positively affected **Competitive Positioning** based in **Competitive Aggressiveness** seems not to be corroborated.

H5d) **Generation and Dissemination of Information and Response to Market** and positively influences **Competitive Positioning** based in **Competitive Aggressiveness** is corroborated;

H5e) **Interpretation of the Organizational Market Information** positively influences **Competitive Positioning** based in **Competitive Aggressiveness** is not corroborated, and

H5f) **Internal capabilities of information Management** positively influences based **Competitive Positioning** based in **Competitive Aggressiveness** is not corroborated.

6.4.3 Impact of Market Orientation on Organizational Performance

The research hypotheses H5 and H6, whereas the levels of **Market Orientation** positively affect **Organizational Performance** through **Relational and Financial Performance** and **Performance Activity** appears to be only partially corroborated by the significance of **Market Orientation** level: **Generation and Dissemination of Information and Response to Market** influencing positively **The Organizational Performance** based in **Relational and Financial Performance and Performance Activity**.

Possible reasons of such evidence in this study seems to us eventually associated to the size of the sample and specific characteristics of the activity of the cork industry companies under study. So the market orientation-performance relationship is not stronger in samples of cork manufacturing firms, in low power-distance and Uncertainty-avoidance cultures, opposite the studies use subjective That Measure of performance. Also find That the market orientation- performance correlation is stronger for *both* cost-based and revenue-based Performance Measure Firms in manufacturing than in service firms, (Kirca et al., 2005).

The others studies, including Clark et al. (2005); Lee et al. (2006), reveals

that organizational ability and opportunity to process marketing performance information appear to have positive effects on both the sophistication of processing and satisfaction with performance measurement.

- Motivation to process has both direct and moderating effects on future measurement spending plans.
- Satisfaction with the system did not appear to influence future spending plans.
- Managerially, developing the organization's ability to interpret performance data appears to have the strongest effects on managers' attitudes and intentions regarding the measurement system.

Summarily it is presented the estimated regression conclusions based in the following statistic evidences:

H1: Leadership positively influences Market Orientation:

H1a1) *Power delegation positively influences Market Orientation based on Generation, Dissemination and Response and the Market is corroborated;*

H1b1) *Decentralization and decision positively influences Market Orientation based on Generation, Dissemination and Response and the Market is not corroborated;*

H1c1) *Level of participation in Leadership positively influences Market Orientation based on Generation, Dissemination and Response and the Market is not corroborated;*

H1a2) *Power delegation positively influences Market Orientation based on Interpretation of the Organizational Market Information is not corroborated;*

H1b2) *Decentralization and decision positively influences Market Orientation based on of the Organizational Market Information is not corroborated;*

H1c2) *Level of participation in Leadership positively influences Market Orientation based on of the Organizational Market Information is not corroborated;*

H1a3) *Power delegation positively influences Market Orientation based on Internal Capabilities of Information Management is corroborated;*

H1b3) *Decentralization and decision positively influences Market Orientation based on Internal Capabilities of Information Management is not corroborated;* and,

H1c3) *Level of participation in Leadership positively influences Market Orientation based on Internal Capabilities of Information Management is not corroborated;*

H2: Market Strategy positively influences Market Orientation:

H2a1) *Capacity for Innovation positively influences Market Orientation based on Generation, Dissemination and Response and the Market is not corroborated;*

H2b1) *Ability to create value positively influences Market Orientation based on Generation, Dissemination and Response and the Market is corroborated;*

H2c1) *Perceived Risk positively influences Market Orientation based on Generation, Dissemination and Response and the Market is not corroborated;*

H2a2) *Capacity for Innovation positively influences Market Orientation based on Interpretation of the Organizational Market Information is not corroborated;*

H2b2) *Ability to create value positively influences Market Orientation based on of the Organizational Market Information is not corroborated;*

H2c2) *Perceived Risk positively influences Market Orientation based on of the Organizational Market Information is not corroborated;*

H2a3) *Power delegation positively influences Market Orientation based on Internal Capabilities of Information Management is corroborated;*

H2b3) *Decentralization and decision positively influences Market Orientation based on Internal Capabilities of Information Management is not corroborated;* and,

H2c3) *Level of participation in Leadership positively influences Market Orientation based on Internal Capabilities of Information Management is not corroborated;*

H3: Organizational Culture positively influences Market Orientation:

H3a) *Generation, Dissemination and Response and the Market positively influences Competitive Positioning based on Advantage in Production and Cost is corroborated;*

H3b) *Interpretation of the Organizational Market Information positively influences Competitive Positioning based on Advantage in Production and Cost is corroborated*; and,

H3c) *Internal capabilities of information Management positively influences Competitive Positioning based on Advantage in Production and Cost is not corroborated*

H4: External Environmental positively influences Market Orientation:

H4a) *Generation, Dissemination and Response and the Market positively influences Competitive Positioning based on Advantage in Production and Cost is corroborated*;

H4b) *Interpretation of the Organizational Market Information positively influences Competitive Positioning based on Advantage in Production and Cost is corroborated*; and,

H4c) *Internal capabilities of information Management positively influences Competitive Positioning based on Advantage in Production and Cost is not corroborated*

H5 Market orientation Positively Affects the competitive positioning

H5a) *Generation, Dissemination and Response and the Market positively influences Competitive Positioning based on Advantage in Production and Cost is corroborated*;

H5b) *Interpretation of the Organizational Market Information positively influences Competitive Positioning based on Advantage in Production and Cost is corroborated*; and,

H5c) *Internal capabilities of information Management positively influences Competitive Positioning based on Advantage in Production and Cost is not corroborated*

H5d) *Generation, Dissemination and Response and the Market positively influences Competitive Positioning based on Competitive Aggressiveness is corroborated*;

H5e) *Interpretation of the Organizational Market Information positively influences Competitive Positioning based on Competitive Aggressiveness is not corroborated;*

H5f) *Internal capabilities of information Management positively influences Competitive Positioning based on Competitive Aggressiveness is not corroborated.*

H6 Market orientation Positively Affects organizational performance

H6a) *Generation, Dissemination and Response and the Market positively influences Organizational Performance based on Relational and Financial Performance is corroborated;*

H6b) *Interpretation of the Organizational Market positively influences Organizational Performance based on Relational and Financial Performance is not corroborated;*

H6c) *Internal capabilities of information Management positively influences Organizational Performance based on Relational and Financial Performance is not corroborated.*

H6d) *Generation, Dissemination and Response and the Market positively influences Organizational Performance based on Performance Activity is corroborated*

H6e) *Interpretation of the Organizational Market Information positively influences Organizational Performance based on Performance Activity is not corroborated;*

H6f) *Internal capabilities of information Management positively influences Competitive Positioning based on Organizational Performance based on Performance Activity is not corroborated.*

CHAPTER 7 - CONCLUSIONS, LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

7.1. INTRODUCTION

The objectives of this study within this dissertation focused on the identification of the practices of market orientation in the cork sector with significant expression in the northern region of Portugal and its consequent impact on the competitive positioning and organizational performance.

In order to achieve the objectives of the research, we developed an empirical study, based on information gathered from a sample of 100 companies coming from the vast majority of Aveiro district, Santa Maria da Feira Municipality, with the aim of acknowledging the reality of its companies with a very strong family-oriented and embedded in an entrepreneur spirit with its own characteristics. This reason is due to the fact that the business of cork is mostly directed by the founder or someone with a high degree of kinship with the organization's founder, ie the business community mostly consists of family businesses.

7.2. FINAL CONCLUSIONS

From the early 1990s, with the work of Kohli and Jaworski (1990), Kohli et al. (1993), Narver and Slater (1990) and Slater and Narver (1994), the subject of market orientation and its relationship with performance, has occupied the theory center and practice of marketing management (Day, 1994, Becker and Homburg, 1999). Over the last decade, it have established itself a theory of the antecedents and consequences of market orientation, have developed measures for the construct and tested the impact of market orientation on business performance. Despite the existence of other important lines of research (Deshpande et al. 1993; Day, 1994; and, Deshpande and Farley, 1998), the works of Kohli and Jaworski (1990), Kohli et al. (1993), Narver and Slater (1990) and Slater and Narver (1994),

were analyzed as references for our market orientation study, because of the prominence given to them by the literature (Lee et al., 2006).

The theoretical model proposed and the results obtained in the empirical study showed a partial direct effect of the orientation on competitive positioning, in which, for the Investigated cork industry seems unlikely that increasing the degree of orientation explains the increase performance without a corresponding increase in the degree of market orientation.

The results of the validation of the theoretical model of this study also suggest that organizations must increase the generation and dissemination of market information through the organization to promote more effective responses to identified threats and opportunities in the market.

The Market Orientation by the level of the generation of market information related to factors outside the company, in which all departments should collect and process information about the needs and aspirations of current and future customers and also on factors that may directly affect consumer desires, as competitors, suppliers, political and legal factors, economic and technological, social and cultural, inter alia, so the company can monitor the external environment and circumstances.

The information gathered should be disseminated by various sectors of the organization to be known and shared within the organization. This is the view presented to the dissemination of information. These findings reinforce the indication on the literature of the marketing area that a position of market orientation, combined with an attitude, among others, of orientation in terms of generation and information dissemination to and from the market, has a strong chance to positively influence competitive positioning and long-term organizational performance through the effect of the benefit of production and costs, which translates into indirect impact on business performance both in terms of relationships and financial and in terms of performance indicators of activity of these cork businesses from region of Aveiro, which results are in continuity with the conclusions of the studies cited in the literature, much referenced in studies with the same objectives as this (Slater and Narver, 1995; Dickson, 1996; Hurley and Hult, 1998; and, Baker and Sinkula, 1999).

Overall, the results of this study led to a finding of a significant relationship between market orientation and firm performance. Still, it's a tenuous relationship that appears undervalued between a set of factors which show that market orientation can only translate an element mediated and not a direct effect on competitiveness and business performance. Thus the spirit of leadership and organizational learning appear with a positive and significant effect either on the Market Orientation or on Competitiveness. First, and as in many other studies have made clear that the vagueness of this relationship, these results have shown that it is necessary to study this relationship, through the construction of structural models that better clarify the direct and indirect effects among variables determinants and consequences of Market Orientation.

In order for companies to have greater capacity to respond to the market they should be increasingly concerned with empowering, create value and to focus on learning and attention to consumers and competitors. The collection of market information is more effective as more the organization is able to learn, understand market cycles and disseminate the information collected internally. The ability of an organization in the cork sector to manage information is strongly related to the ability to interpret market information and to delegate power. As for competitive advantage, this depends on the willingness to generate, interpret and disseminate information (in order to respond to the market), competitive aggressiveness and performance (financial and economic activity). Finally, the performance of companies in this sector is strongly influenced by the ability to generate, disseminate and respond to market while meeting the aggressive competitive advantages that can not at the level of production and costs.

Thus, it is recommended to managers greater ability to manage their organizations in terms of learning ability, collection, analysis and dissemination of information. These aspects together with the delegation of responsibilities allows organizations to become more competitive and respond quickly to market changes. All these elements lead to better organizational performance.

7.3. MAJOR CONTRIBUTIONS

The major finding of the study, it is assumed that the attitude of strategic orientation to the Cork market in Portugal and specifically in the region of Aveiro positively influences the performance and competitiveness in these sectors, which seems reasonable for the argument that the cork businesses should encourage its collaborators, including the attitudes of its leadership, the attitude of commitment to learning and open-minded, valuing the initiative to break the current paradigms in this type of family-oriented organization. It would be reasonable also the shared vision of market orientation in the future conceived as an organizational strategy for the organization with the involvement of employees at several levels.

From a business standpoint, we believe to have contributed to reinforce the assumptions that underpin the Market Orientation, based upon the following proposition:

Proposition: The practice of market orientation deserve wider dissemination of leadership to improve the overall performance of organizations and increase their competitiveness.

7.4. RESEARCH LIMITATIONS AND SUGGESTIONS FOR FUTURE STUDIES

Despite the rigor of the method applied in this research, some situations experienced during the development of the study suggest certain limitations, and overcoming each of these limitations will result in recommendations for future research.

The surveys were carried out transversal (cross-sectional), whose variables measurement occurred at similar times, preventing, therefore, to examine changes that might occur at different points of time, which would allow associations to verify and compare the results of this study.

The perception of a single respondent per sample unit may distort the actual practices adopted in the organization. Thus, it is important that future studies consider other possibilities such as multiple respondents, respondents from other

levels of the organization or outside the organization respondents.

Data was collected based on perceptions, opinions and subjective assessments of respondents. Especially in relation to the construct of Innovation, future studies could employ objective measures for such measurement.

Finally, despite the concern with the analysis of the bias of non-respondents, it is noted that this research used non probabilistic samples of return mail. It would be interesting that future studies utilize more than one method of data collection, noting the randomness in the selection of sample units.

The limitations presented in the previous paragraph, then presents suggestions for future work.

On the other hand, leaves as a suggestion for future work, a study based on a greater sample size than our sample so that more refined statistical techniques can be applied, thus seeking to better understand the impact of factors here studied at the level market orientation and its effect on increasing the competitive positioning and Business Performance.

It is will also recommend further study to find other antecedents than the four previously studies, which may perhaps be decisive for the model of market orientation followed.

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ANEXES

A.1 - SPSS REGRESSION'S OUTPUTS FOR DETERMINANTS

Model Summary					
Model		dimension1			
		R	R Square	Adjusted R Square	Std. Error of the Estimate
dimension0	1	,772 ^a	,595	,550	,67086370
a. Predictors: (Constant), FACT2DET4, FACT1DET4, FACT1DET1, FACT2DET1, FACT3DET1, FACT3DET2, FACT1DET2, FACT1DET3, FACT2DET3, FACT2DET2					

ANOVA ^b								
Model				dimension2				
				Sum of Squares	df	Mean Square	F	Sig.
dimension0	1	dimension1	Regression	58,945	10	5,894	13,097	,000 ^a
			Residual	40,055	89	,450		
			Total	99,000	99			
a. Predictors: (Constant), FACT2DET4, FACT1DET4, FACT1DET1, FACT2DET1, FACT3DET1, FACT3DET2, FACT1DET2, FACT1DET3, FACT2DET3, FACT2DET2								
b. Dependent Variable: FACT1OM								

Coefficients ^a								
Model			dimension2					
			Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
			B	Std. Error	Beta			
dimension0	1	dimension1	(Constant)	-2,182E-16	,067		,000	1,000
			FACT1DET1	-,216	,074	-,216	-2,930	,004
			FACT2DET1	,052	,075	,052	,693	,490
			FACT3DET1	-,044	,077	-,044	-,567	,572
			FACT1DET2	,079	,083	,079	,949	,345
			FACT2DET2	,387	,101	,387	3,816	,000
			FACT3DET2	,013	,086	,013	,154	,878
			FACT1DET3	,163	,089	,163	1,826	,071
			FACT2DET3	,042	,083	,042	,510	,611
			FACT1DET4	,130	,086	,130	1,512	,134
			FACT2DET4	,321	,092	,321	3,471	,001

a. Dependent Variable: FACT1OM

REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT Y2 /METHOD=ENTER X1.1 X1.2 X1.3 X2.1 X2.2 X2.3 X3.1 X3.2 X4.1 X4.2 Y1.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,575 ^a	,331	,247	,86768978
a. Predictors: (Constant), FACT1OM, FACT1DET2, FACT3DET2, FACT2DET1, FACT1DET4, FACT1DET1, FACT3DET1, FACT2DET3, FACT1DET3, FACT2DET4, FACT2DET2				

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	32,746	11	2,977	3,954	,000 ^a
	Residual	66,254	88	,753		
	Total	99,000	99			
a. Predictors: (Constant), FACT1OM, FACT1DET2, FACT3DET2, FACT2DET1, FACT1DET4, FACT1DET1, FACT3DET1, FACT2DET3, FACT1DET3, FACT2DET4, FACT2DET2						
b. Dependent Variable: FACT2OM						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	8,131E-18	,087		,000	1,000
	FACT1DET1	,083	,100	,083	,835	,406
	FACT2DET1	-,021	,098	-,021	-,212	,832
	FACT3DET1	-,077	,100	-,077	-,773	,441
	FACT1DET2	-,056	,108	-,056	-,516	,607
	FACT2DET2	,189	,142	,189	1,332	,186
	FACT3DET2	-,113	,112	-,113	-1,017	,312
	FACT1DET3	,299	,117	,299	2,547	,013
	FACT2DET3	,145	,108	,145	1,351	,180
	FACT1DET4	,441	,112	,441	3,927	,000
	FACT2DET4	,073	,127	,073	,570	,570
	FACT1OM	-,387	,137	-,387	-2,823	,006
a. Dependent Variable: FACT2OM						

REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT Y3 /METHOD=ENTER X1.1 X1.2 X1.3 X2.1 X2.2 X2.3 X3.1 X3.2 X4.1 X4.2 Y1 Y2.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,728 ^a	,530	,466	,73094808
a. Predictors: (Constant), FACT2OM, FACT1OM, FACT1DET2, FACT3DET2, FACT2DET1, FACT3DET1, FACT1DET1, FACT2DET3, FACT1DET4, FACT1DET3, FACT2DET4, FACT2DET2				

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52,517	12	4,376	8,191	,000 ^a
	Residual	46,483	87	,534		
	Total	99,000	99			
a. Predictors: (Constant), FACT2OM, FACT1OM, FACT1DET2, FACT3DET2, FACT2DET1, FACT3DET1, FACT1DET1, FACT2DET3, FACT1DET4, FACT1DET3, FACT2DET4, FACT2DET2						
b. Dependent Variable: FACT3OM						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2,014E-16	,073		,000	1,000
	FACT1DET1	,720	,084	,720	8,523	,000
	FACT2DET1	,039	,082	,039	,474	,637
	FACT3DET1	-,021	,085	-,021	-,244	,808
	FACT1DET2	,117	,091	,117	1,288	,201
	FACT2DET2	,064	,120	,064	,532	,596
	FACT3DET2	-,015	,095	-,015	-,156	,876
	FACT1DET3	,044	,102	,044	,431	,668
	FACT2DET3	,048	,092	,048	,522	,603
	FACT1DET4	-,001	,103	-,001	-,010	,992
	FACT2DET4	,004	,108	,004	,040	,968
	FACT1OM	,114	,121	,114	,944	,348
	FACT2OM	-,159	,090	-,159	-1,768	,081
a. Dependent Variable: FACT3OM						

A.2 - SPSS REGRESSION'S OUTPUTS FOR CONSEQUENTS

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,759 ^a	,576	,548	,67212746
a. Predictors: (Constant), FACT2CONSEQ2, FACT1CONSEQ2, FACT3OM, FACT2OM, FACT2CONSEQ1, FACT1MO				

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	56,987	6	9,498	21,024	,000 ^a
	Residual	42,013	93	,452		
	Total	99,000	99			
a. Predictors: (Constant), FACT2CONSEQ2, FACT1CONSEQ2, FACT3OM, FACT2OM, FACT2CONSEQ1, FACT1MO						
b. Dependent Variable: FACT1CONSEQ1						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,356E-16	,067		,000	1,000
	FACT1MO	,481	,096	,481	4,982	,000
	FACT2OM	,247	,071	,247	3,498	,001
	FACT3OM	,006	,068	,006	,095	,924
	FACT2CONSEQ1	-,391	,079	-,391	-4,972	,000
	FACT1CONSEQ2	,307	,093	,307	3,312	,001
	FACT2CONSEQ2	,232	,082	,232	2,818	,006
a. Dependent Variable: FACT1CONSEQ1						

REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT Y5.2 /METHOD=ENTER X1 X2 X3 Y5.1 Y6.1 Y6.2.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,647 ^a	,418	,381	,78701886
a. Predictors: (Constant), FACT2CONSEQ2, FACT1CONSEQ2, FACT3OM, FACT2OM, FACT1CONSEQ1, FACT1MO				

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	41,396	6	6,899	11,139	,000 ^a
	Residual	57,604	93	,619		
	Total	99,000	99			
a. Predictors: (Constant), FACT2CONSEQ2, FACT1CONSEQ2, FACT3OM, FACT2OM, FACT1CONSEQ1, FACT1MO						
b. Dependent Variable: FACT2CONSEQ1						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1,960E-17	,079		,000	1,000
	FACT1MO	,348	,122	,348	2,855	,005
	FACT2OM	,124	,087	,124	1,419	,159
	FACT3OM	,063	,079	,063	,792	,431
	FACT1CONSEQ1	-,537	,108	-,537	-4,972	,000
	FACT1CONSEQ2	,486	,103	,486	4,722	,000
	FACT2CONSEQ2	,226	,098	,226	2,315	,023
a. Dependent Variable: FACT2CONSEQ1						

REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT Y6.1 /METHOD=ENTER X1 X2 X3 Y5.1 Y5.2 Y6.2.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,724 ^a	,524	,493	,71199426
a. Predictors: (Constant), FACT2CONSEQ2, FACT3OM, FACT2OM, FACT2CONSEQ1, FACT1CONSEQ1, FACT1MO				

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51,855	6	8,642	17,048	,000 ^a
	Residual	47,145	93	,507		
	Total	99,000	99			
a. Predictors: (Constant), FACT2CONSEQ2, FACT3OM, FACT2OM, FACT2CONSEQ1, FACT1CONSEQ1, FACT1MO						
b. Dependent Variable: FACT1CONSEQ2						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2,893E-17	,071		,000	1,000
	FACT1MO	,322	,110	,322	2,922	,004
	FACT2OM	,099	,079	,099	1,250	,214
	FACT3OM	,014	,072	,014	,195	,846
	FACT1CONSEQ1	,344	,104	,344	3,312	,001
	FACT2CONSEQ1	,398	,084	,398	4,722	,000
	FACT2CONSEQ2	-,351	,083	-,351	-4,214	,000
a. Dependent Variable: FACT1CONSEQ2						

REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT Y6.2 /METHOD=ENTER X1 X2 X3 Y5.1 Y5.2 Y6.1.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,617 ^a	,381	,341	,81156799
a. Predictors: (Constant), FACT1CONSEQ2, FACT3OM, FACT2OM, FACT1CONSEQ1, FACT2CONSEQ1, FACT1MO				

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	37,746	6	6,291	9,552	,000 ^a
	Residual	61,254	93	,659		
	Total	99,000	99			
a. Predictors: (Constant), FACT1CONSEQ2, FACT3OM, FACT2OM, FACT1CONSEQ1, FACT2CONSEQ1, FACT1MO						
b. Dependent Variable: FACT2CONSEQ2						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-2,053E-17	,081		,000	1,000
	FACT1MO	,422	,124	,422	3,416	,001
	FACT2OM	-,071	,090	-,071	-,786	,434
	FACT3OM	,005	,082	,005	,061	,952
	FACT1CONSEQ1	,339	,120	,339	2,818	,006
	FACT2CONSEQ1	,241	,104	,241	2,315	,023
	FACT1CONSEQ2	-,456	,108	-,456	-4,214	,000
a. Dependent Variable: FACT2CONSEQ2						

A.3 - P Values for the Pearson Correlations

	Factors	1	2	3	4	5	6	7	8	9	10	15	16	17	11	12	13	14
Leadership	1. Power delegation		1,000	1,000	,320	,403	,104	,225	,001	,350	,586	,012	,062	,000	,194	,860	,927	,043
	2. Decentralization and decision	1,000		1,000	,991	,172	,381	,042	,001	,274	,061	,022	,444	,399	,948	,455	,257	,502
	3. Level of participation in Leadership	1,000	1,000		,001	,319	,090	,001	,768	,511	,009	,311	,960	,803	,004	,266	,157	,775
Marketing Strategy	4. Capacity for Innovation	,320	,991	,001		1,000	1,000	,314	,034	,195	,001	,561	,427	,039	,364	,283	,872	,095
	5. Ability to create value	,403	,172	,319	1,000		1,000	,000	,173	,000	,000	,000	,007	,530	,000	,000	,000	,000
	6. Perceived Risk	,104	,381	,090	1,000	1,000		,000	,004	,524	,002	,123	,780	,143	,740	,025	,000	,320
Organizational Culture	7. Orientation to Learning	,225	,042	,001	,314	,000	,000		1,000	,725	,002	,000	,101	,902	,000	,030	,000	,438
	8. Role of Management in value sharing	,001	,001	,768	,034	,173	,004	1,000		,645	,123	,238	,198	,002	,138	,096	,001	,172
External Environment	10. Knowledge of structural and conjectural Market	,350	,274	,511	,195	,000	,524	,725	,645		1,000	,004	,000	,614	,010	,006	,009	,344
	9. Attention to the Customer Care and Competition	,586	,061	,009	,001	,000	,002	,002	,123	1,000		,000	,888	,786	,003	,007	,001	,158
Market Orientation	15. Information Dissemination and Response and the Market	,012	,022	,311	,561	,000	,123	,000	,238	,004	,000		1,000	1,000	,000	,000	,000	,000
	16. Interpretation of the Organizational Market Information	,062	,444	,960	,427	,007	,780	,101	,198	,000	,888	1,000		1,000	,006	,420	,012	,470
	17. Internal Capabilities of Information Management	,000	,399	,803	,039	,530	,143	,902	,002	,614	,786	1,000	1,000		,875	,354	,655	,989
Competitive Positioning	11. Advantage in Production and Cost	,194	,948	,004	,364	,000	,740	,000	,138	,010	,003	,000	,006	,875		1,000	,000	,000
	12. Competitive Aggressiveness	,860	,455	,266	,283	,000	,025	,030	,096	,006	,007	,000	,420	,354	1,000		,000	,065
Organizational Performance	13. Relational and Financial Performance	,927	,257	,157	,872	,000	,000	,000	,001	,009	,001	,000	,012	,655	,000	,000		1,000
	14 Performance Activity	,043	,502	,775	,095	,000	,320	,438	,172	,344	,158	,000	,470	,989	,000	,065	1,000	